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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 3632/85

of 12 December 1985

defining the conditions under which a person may be permitted to make a customs declaration

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas a customs declaration is required for placing goods under a customs regime; whereas, save where specifically provided otherwise, a customs declaration is also required to bring such a customs regime to an end where it is not by nature definitive;

Whereas the conditions under which a person is entitled to make a customs declaration vary appreciably from one Member State to another, in particular as regards the possibility of making a customs declaration on behalf of another person;

Whereas the conditions under which a person is entitled to make a customs declaration must be defined at Community level so as to enable Community economic operators to carry out their customs formalities as efficiently as possible;

Whereas the provisions to be adopted at Community level must take into account both the nature of the customs union, and in particular the existence of the common customs territory, and the basic objectives of the Treaty with regard to the free movement of goods, persons and services within the Community;

Whereas the said Community provisions must also take into account the special conditions of international trade and the consequent need for the customs authorities to have a set of rules enabling them to carry out their controls under the best possible conditions and guard against any irregularities;

Whereas there exist in certain Member States rules limiting pursuit of the occupation of making customs declarations either in the name of another person or in one's

own name but on behalf of another person, to persons fulfilling certain conditions, or which make the possibility for undertakings to use the services of paid employees specializing in making customs declarations on behalf of those undertakings subject to the condition that those employees have a suitable professional qualification; whereas, insofar as such rules concern access to and the pursuit of a specific occupation, this Regulation does not prevent their being maintained in force;

Whereas, as a simplifying measure, the provisions of this Regulation should be extended to declarations which have to be made to customs authorities, in accordance with Community rules, when Community goods are traded between Member States;

Whereas the Treaty does not provide the necessary powers other than those of Article 235.

HAS ADOPTED THIS REGULATION:

Article 1

1. This Regulation lays down the conditions under which a person may be permitted to make a customs declaration.

2. For the purposes of this Regulation:

(a) 'person' means

- a natural person, or
- a legal person, or
- when this possibility is provided for in the rules in force, an association of persons recognized as having legal capacity but lacking the legal status of legal person.

(b) 'customs declaration' means the act by which a person indicates in the prescribed form and in accordance with the prescribed procedures the wish to place goods under a given customs regime or to bring such a regime to an end.

Article 2

The customs declaration may be made by any person able to produce or cause to be produced to the competent

⁽¹⁾ OJ No C 29, 1. 2. 1979, p. 3.

⁽²⁾ OJ No C 140, 5. 6. 1979, p. 33.

⁽³⁾ OJ No C 227, 10. 9. 1979, p. 23.

customs authority, in accordance with the relevant provisions, the goods in question as well as all documents production of which is stipulated by the provisions governing the customs regime requested for the goods.

Article 3

1. Where the customs declaration is made in writing, the person referred to in Article 2 may, without prejudice to the other provisions of this Article, make the declaration:

- (a) in his own name and on his own behalf;
- (b) in the name and on behalf of another person; or
- (c) in his own name but on behalf of another person.

2. The option of making the declaration referred to in paragraph 1 (c) may be exercised only if the Member States have so provided.

3. Where a Member State authorizes the declaration to be made referred to in paragraph 1 (c), the right

- (a) either to make declarations in the name and on behalf of another person,
- (b) or to make declarations in their own name but on behalf of another person,

may be limited by that State to persons pursuing the activity of making customs declarations on a self-employed basis, either as their principal occupation or as a secondary activity related to another occupation.

4. Where the acceptance of a customs declaration involves particular obligations on the part of a specific person, the declaration may be made only in the name of the said person or on his behalf.

Member States may stipulate that, when made in writing, a declaration:

- of personal property imported on the occasion of a transfer of residence or an inheritance,
- of unaccompanied personal baggage of a non-commercial nature

may be made only in the name and on behalf of the person concerned.

5. Where the person referred to in Article 2 acts on behalf of another person, he shall so state on the declaration and shall state whether he is making the declaration in his own name or in the name of the person on whose behalf he is acting, specifying in all cases the name and address of that person.

Where they consider it necessary, the competent authorities may require the person referred to in Article 2 to furnish proof of the accuracy of such information.

Article 4

Where the customs declaration is not made in writing, the person referred to in Article 2 shall be deemed to be acting in his own name and on his own behalf unless he

proves that he is acting on behalf of another person where circumstances necessitate such a course.

Article 5

1. In the absence of any contrary provisions resulting from the application of international Conventions, the person referred to in Article 2 must be established in the Community.

The requirement laid down in the preceding subparagraph shall not, however, apply to persons who:

- (a) make Community transit or temporary admission declarations;
- (b) make declarations otherwise than in writing;
- (c) declare goods on an occasional basis, provided that the competent authorities consider this justified.

2. The first subparagraph of paragraph 1 shall not preclude the application by the Member States of bilateral agreements concluded with third countries, or other customary practices having similar effect, under which nationals of these countries may make customs declarations in the territory of the Member States in question, subject to reciprocity.

Article 6

This Regulation shall not form an obstacle to provisions of the Member States which:

- (a) in accordance with Article 3 (3), limit pursuit of the activity of making customs declarations either in the name and on behalf of another person or in their own name but on behalf of another person, to persons authorized to pursue such an activity by the competent authorities of the Member State concerned, on conditions defined by the latter with regard specifically to:
 - the professional qualifications required,
 - and the guarantees deemed necessary for pursuit of the activity;
- (b) make the possibility for undertakings to use the services of paid employees specializing in making customs declarations in the name and on behalf of those undertakings subject to the condition that such employees are recognized by the competent authorities as having a suitable professional qualification.

Article 7

The provisions of this Regulation shall apply to declarations which have to be made to customs authorities, in accordance with Community rules, when Community goods are traded between Member States.

Article 8

This Regulation shall enter into force on 1 January 1987.

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

Done at Brussels, 12 December 1985

For the Council

The President

R. GOEBBELS

COUNCIL REGULATION (EEC) No 3633/85

of 17 December 1985

on the organization of a labour force sample survey in the spring of 1986

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 213 thereof,

Having regard to the draft Regulation submitted by the Commission,

Whereas in order to carry out the tasks which are assigned to it by the Treaty, and in particular by Articles 2, 92, 117, 118, 122 and 123 thereof, the Commission must be acquainted with the situation and developments in employment and unemployment;

Whereas the statistical information available in each of the Member States does not provide a suitable basis for comparison, particularly because of the differences between the laws, rules and administrative practices of the Member States on which those statistics are based;

Whereas the best method of ascertaining the level and the structure of employment and unemployment consists in carrying out harmonized and synchronized Community labour force sample surveys, as has been done regularly in the past;

Whereas in a period of continuing and increasing difficulties on the labour and of structural changes in the employment sector, fully up-to-date information must be made available;

Whereas only the repetition in 1986 of the surveys carried out in 1983 and 1984 and 1985 will enable this information to be obtained;

Whereas the situation resulting from the accession of Spain and Portugal should be taken into account with respect to this matter,

HAS ADOPTED THIS REGULATION:

Article 1

In the spring of 1986 the Statistical Office of the European Communities shall conduct a labour force sample survey for the Commission based on a sample of households in each of the Member States.

Article 2

The survey shall be carried out in each of the Member States in a sample of households having their residence in the territory of those States at the time of the survey. The Member States shall take measures to prevent double counting of persons with more than one residence.

The information shall be collected for each member of the households included in the sample. In cases where one member of a household provides information for other members, this shall be clearly indicated.

Article 3

The sample shall comprise between 60 000 and 100 000 households in Germany, France, Italy and the United Kingdom, between 30 000 and 50 000 in Belgium, Greece and Ireland, between 15 000 and 30 000 in Denmark and the Netherlands and approximately 10 000 in Luxembourg.

The sample shall comprise between 60 000 and 100 000 households in Spain, and between 30 000 and 50 000 households in Portugal.

Article 4

The survey shall cover:

- (a) the individual characteristics of all members of the household questioned, namely: sex, age, marital status, nationality, type of household in which the person is living and surveyed, type of family relationship within the household. The members of one household shall be identified by a joint serial number and a code designating the State and region in which the household is questioned;
- (b) situation with regard to economic activity of these persons at the time of the survey and characteristics of their work as follows: occupation, status, economic activity, number of hours usually and actually worked and reasons for any difference between the two; full or part-time work, permanent or temporary work and any paid second job;
- (c) attempts to find work, with, in particular, the following information: the type and extent of the work sought, the conditions and reasons, methods and length of time spent seeking work, whether unemployment benefit or aid is being received, the situation directly preceding the start of the search for work and the availability for work or the reasons for not being available;
- (d) type and purpose of educational and training courses in which persons aged from 14 to 49 have recently taken part;
- (e) work experience of persons of working age without work including the characteristics of the last job and the time of, and reasons for, its coming to an end;
- (f) the situation of the members of the household one year before the present survey, including: country and region of residence, position with regard to economic activity and, if employed, economic activity and occupational status of the job held.

Article 5

The information shall be gathered by the statistical services of the Member States on the basis of the list of questions drawn up by the Commission in cooperation with the competent services of the Member States.

The Commission shall determine, in collaboration with the Member States, the details of the survey, in particular the starting and closing dates and the deadlines for transmission of the results. The statistical services of the Member States shall ensure the representative nature of the sample according to practice in the Member States, which may, in certain cases, make the provision of replies compulsory. The Commission shall also ensure that at least a quarter of the survey units are taken from the 1985 survey and that a proportion of at least a quarter may form part of a subsequent survey. These two groups shall be identified by a code.

Article 6

The Member States shall endeavour to ensure that the information requested is furnished truthfully and in its entirety within the period specified. They shall ensure that the survey provides a reliable foundation for a

comparative analysis at Community level as well as at the level of the Member States and certain regions. The statistical services of the Member States shall forward to the Statistical Office of the European Communities the results of the survey, duly checked, for each person questioned, without any indication of name or address.

Article 7

Items of information relating to individuals provided in the context of the survey may be used for statistical purposes only. They may not be used for fiscal or other purposes and may not be communicated to third parties.

The Member States and the Commission shall take the requisite steps to penalize any infringement of the obligation under the first paragraph to preserve the confidentiality of the information gathered.

Article 8

The Member States shall receive a contribution towards the conduct of the survey. The amount of the contribution shall be set off against the appropriations provided for this purpose in the budget of the European Communities.

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

Done at Brussels, 17 December 1985.

For the Council

The President

J. F. POOS

COUNCIL REGULATION (EEC) No 3634/85**of 17 December 1985****on the establishment of specific Community regional development measures in 1985 and amending Regulation (EEC) No 1787/84**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund ⁽⁴⁾ hereinafter referred to as 'the Fund Regulation', entered into force on 1 January 1985;

Whereas Article 48 of the Fund Regulation provides that, subject to the application of Article 45 thereof, Regulation (EEC) No 724/75 ⁽⁵⁾, including Title III relating to specific Community measures, is repealed;

Whereas Article 45 of the Fund Regulation provides that Article 4 (3) thereof does not apply to resources intended to cover budget commitments still to be entered into for the execution of the specific Community measures referred to above and instituted by the Council before 1 January 1985;

Whereas on 18 January 1984 the Council adopted a second series of specific Community measures, hereinafter referred to as 'the specific measures', in favour of zones adversely affected by restructuring of the steel, shipbuilding and textile and clothing industries, by Community enlargement and by the energy crisis;

Whereas, when this second series of measures was adopted, it was envisaged that the measures relating to zones adversely affected by restructuring of the shipbuilding and textile and clothing industries would be extended to new zones to the extent that the worsening of the crisis in those sectors justified it;

Whereas at the same time it was envisaged that the specific measure already in force concerning the border

areas of Ireland and Northern Ireland should be reinforced;

Whereas the Council also agreed in principle to a specific measure contributing to the development of new economic activities in certain zones affected by the implementation of the Community fisheries policy;

Whereas in response to these guidelines from the Council, the Commission immediately began preparing the necessary proposals for a Regulation;

Whereas practical difficulties were encountered in collecting certain data necessary to draw up these proposals and these difficulties delayed their submission;

Whereas, as a result, the four proposals for a Council Regulation based on Article 13 of Regulation (EEC) No 724/75, could not be submitted to the Council before 22 December 1984; whereas, because of this, the Council was not in a position to decide on those proposals before 31 December 1984; whereas by the same token the European Parliament and the Economic and Social Committee were not able to give their Opinions on the proposals before 31 December 1984; whereas, in these circumstances, Regulation (EEC) No 724/75 having repealed on 1 January 1985, the Council should be enabled to decide on those proposals by 31 December 1985 and the period referred to in Article 45 of the Fund Regulation should therefore be prolonged;

Whereas the Treaty has not provided the necessary powers, other than those of Article 235,

HAS ADOPTED THIS REGULATION:

Article 1

The Council may, until 31 December 1985, in accordance with Article 13 of Regulation (EEC) No 724/75, institute specific Community measures on the basis of proposals submitted by the Commission before 31 December 1984.

Article 2

Article 45 of the Fund Regulation shall be replaced by the following:

'Article 45

Article 4 (3) does not apply to resources intended to cover budget commitments still to be entered into for the execution of the specific Community measures referred to in Article 13 of Regulation (EEC) No

⁽¹⁾ OJ No C 143, 12. 6. 1985, p. 3.

⁽²⁾ OJ No C 229, 9. 9. 1985, p. 135.

⁽³⁾ Opinion delivered on 25 and 26 September 1985 (not yet published in the Official Journal).

⁽⁴⁾ OJ No L 169, 28. 6. 1984, p. 1.

⁽⁵⁾ OJ No L 73, 21. 3. 1975, p. 1.

724/75 instituted by the Council before the entry into force of this Regulation or to the specific Community measures instituted by the Council, in accordance with the aforementioned Article 13, up to 31 December 1985, on the basis of proposals submitted by the Commission before 31 December 1984.'

Article 3

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

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

Done at Brussels, 17 December 1985.

For the Council

The President

J. F. POOS

**COUNCIL REGULATION (EEC) No 3635/85
of 17 December 1985**

amending Regulation (EEC) No 2617/80 instituting a specific Community regional development measure contributing to overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the shipbuilding industry

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3634/85 of 17 December 1985 on the establishment of specific Community regional development measures in 1985⁽¹⁾ and in particular Article 1 thereof,

Having regard to the proposal from the Commission⁽²⁾,

Having regard to the opinion of the European Parliament⁽³⁾,

Having regard to the opinion of the Economic and Social Committee⁽⁴⁾,

Whereas Article 48 of Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund⁽⁵⁾ provides that, subject to the application of Article 45 of the said Regulation, Regulation (EEC) No 724/75⁽⁶⁾, including Title III relating to specific Community measures, is repealed; whereas, however, Article 1 of Regulation (EEC) No 3634/85 provides that the Council may, until 31 December 1985, in accordance with Article 13 of Regulation (EEC) No 724/75, institute specific Community measures on the basis of proposals submitted by the Commission before 31 December 1984;

Whereas the said Article 13 provides for participation by the Fund in financing specific Community regional development measures which are in particular linked to Community policies and to measures adopted by the Community, in order to take better account of their regional dimension or to reduce their regional consequences;

Whereas, pursuant to that Article, the Council adopted on 7 October 1980 an initial series of Regulations instituting specific Community regional development measures and, in particular, Regulation (EEC) No 2617/80⁽⁷⁾ as amended by Regulation (EEC) No 217/84⁽⁸⁾, which instituted a measure hereinafter referred to as a 'specific measure';

Whereas pursuant to that Regulation and in particular Article 3 thereof, the Commission has approved special

programmes relating to certain zones, one of which is situated in the Federal Republic of Germany, and has at the same time decided to allocate appropriations to those programmes;

Whereas the worsening problems in the shipbuilding industry require that the specific measure be extended to certain zones in France and Italy as well as to other zones in the Federal Republic of Germany, which are characterized by a high dependency on the shipbuilding sector and by major job losses in this industry in recent years; whereas this development is likely to lead to a deterioration of an already difficult socio-economic situation in those zones;

Whereas the Member States concerned have provided the Commission with information relating to regional problems which might be the subject of a specific measure;

Whereas additional financial resources are required to implement the specific measure as extended;

Whereas it is necessary for the Federal Republic of Germany to submit to the Commission an adapted special programme and for the French Republic and the Italian Republic to submit to the Commission a special programme in accordance with Regulation (EEC) No 2617/80,

HAS ADOPTED THIS REGULATION:

Article 1

Article 2 of Regulation (EEC) No 2617/80 shall be replaced by the following:

Article 2

1. The specific measure shall apply to zones which in principle meet the following criteria:

- (a) a minimum number of jobs in the shipbuilding industry;
- (b) industrial employment dependent in large measure on the shipbuilding industry;
- (c) major job losses in the shipbuilding industry in recent years;
- (d) the social and economic situation in the region in which the zone concerned is situated. This situation shall be assessed on the basis of the per capita gross domestic product and structural unemployment;
- (e) eligibility of the zone concerned for a national regional aid scheme.

⁽¹⁾ See page 6 of this Official Journal.

⁽²⁾ OJ No C 70, 18. 3. 1985, p. 1, and OJ No C 258, 10. 10. 1985, p. 7.

⁽³⁾ OJ No C 229, 9. 9. 1985, p. 135.

⁽⁴⁾ Opinion delivered on 25/26 September 1985 (not yet published in the Official Journal).

⁽⁵⁾ OJ No L 169, 28. 6. 1984, p. 1.

⁽⁶⁾ OJ No L 73, 21. 3. 1975, p. 1.

⁽⁷⁾ OJ No L 271, 15. 10. 1980, p. 16.

⁽⁸⁾ OJ No L 27, 31. 1. 1984, p. 15.

2. The zones complying with the criteria referred to in paragraph 1 shall be the following:

- (a) in the United Kingdom: the Strathclyde region, the counties of Cleveland, Tyne and Wear and Merseyside, and the Belfast urban area;
- (b) in the Federal Republic of Germany: the Arbeitsmarktreionen of Lübeck-Ostholstein and Bremen-Bremerhaven;
- (c) in France: the zones covered by national regional aid schemes in the départements of Loire Atlantique and Var, including the canton of La Ciotat in the département of Bouches-du-Rhône;
- (d) in Italy: the provinces of Gorizia, Trieste and Palermo, as well as the province of Genova with the exception of the non-aided zone adjoining the province of Piacenza.

Article 2

The following paragraph shall be added to Article 3 of Regulation (EEC) No 2617/80:

'9. Member States shall take the measures necessary to make potential beneficiaries and the various sectors of industry aware of the possibilities offered by the special programme and to inform the public by the most appropriate means of the role played by the Community.'

Article 3

1. The Federal Republic of Germany shall adapt the special programme referred to in Article 3 of Regulation

(EEC) No 2617/80 in accordance with the amendments set out in Article 1 of this Regulation.

2. The adapted special programme shall be approved by the Commission in accordance with Article 3 (6) of Regulation (EEC) No 2617/80.

3. Without prejudice to Article 5 (4) of Regulation (EEC) No 2617/80, the amount of the Fund's assistance to the special programme as adapted may not exceed the amount fixed by the Commission at the time of approval of the programme.

Article 4

The duration of the special programmes to be submitted by the French Republic and the Italian Republic shall be five years from the sixtieth day following that of the entry into force of this Regulation. The duration of the adapted special programme referred to in Article 3 shall be extended for the same period.

Article 5

Expenditure arising from the special programme thus adapted and from the special programmes to be submitted by the French Republic and the Italian Republic and which is incurred from the date of entry into force of this Regulation, shall be eligible.

Article 6

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

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

Done at Brussels, 17 December 1985.

For the Council

The President

J. F. POOS

COUNCIL REGULATION (EEC) No 3636/85

of 17 December 1985

amending Regulation (EEC) No 219/84 instituting a specific Community regional development measure contributing to overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the textile and clothing industry

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3634/85 of 17 December 1985 on the establishment of specific Community regional development measures in 1985⁽¹⁾, and in particular Article 1 thereof,

Having regard to the proposal from the Commission⁽²⁾,

Having regard to the opinion of the European Parliament⁽³⁾,

Having regard to the opinion of the Economic and Social Committee⁽⁴⁾,

Whereas Article 48 of Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund⁽⁵⁾ provides that, subject to the application of Article 45 of the said Regulation, Regulation (EEC) No 724/75⁽⁶⁾, including Title III relating to specific Community measures, is repealed; whereas, however, Article 1 of Regulation (EEC) No 3634/85 provides that the Council may, until 31 December 1985, in accordance with the provisions of Article 13 of Regulation (EEC) No 724/75, institute specific Community measures on the basis of proposals submitted by the Commission before 31 December 1984;

Whereas the said Article 13 provides for participation by the Fund in financing specific Community regional development measures which are in particular linked to Community policies and to measures adopted by the Community in order to take better account of their regional dimension or to reduce their regional consequences;

Whereas, pursuant to that Article, the Council adopted on 18 January 1984 a second series of Regulations instituting specific Community regional development measures and, in particular, Regulation (EEC) No 219/84⁽⁷⁾, which instituted a measure hereinafter referred to as a 'specific measure';

Whereas, pursuant to that Regulation and in particular Article 3 thereof, the Commission has approved special programmes relating to certain zones and has at the same

time decided to allocate appropriations to those programmes;

Whereas the worsening problems in the textile and clothing industry require that the specific measure be extended to zones in the Federal Republic of Germany which meet the criteria adopted in Article 2 (1) of Regulation (EEC) No 219/84;

Whereas the Member States concerned have provided the Commission with information relating to regional problems which might be the subject of a specific measure;

Whereas additional financial resources are required to implement the specific measure as extended;

Whereas it is necessary for the Federal Republic of Germany to submit to the Commission a special programme in accordance with Regulation (EEC) No 219/84,

HAS ADOPTED THIS REGULATION:

Article 1

The following point shall be added to Article 2 (2) of Regulation (EEC) No 219/84:

'(g) in the Federal Republic of Germany: the Arbeitsmarkregionen of Ahaus, Steinfurt and Fulda, as well as the assisted zones in the Arbeitsmarktregion of Bayreuth.'

Article 2

The following paragraph shall be added to Article 3 of Regulation (EEC) No 219/84:

'11. Member States shall take the measures necessary to make potential beneficiaries and the various sectors of industry aware of the possibilities offered by the special programme and to inform the public by the most appropriate means of the role played by the Community.'

Article 3

The duration of the special programme to be submitted by the Federal Republic of Germany shall be five years from the sixtieth day following that of the entry into force of this Regulation.

⁽¹⁾ See page 6 of this Official Journal.

⁽²⁾ OJ No C 70, 18. 3. 1985, p. 3 and OJ No C 258, 10. 10. 1985, p. 8.

⁽³⁾ OJ No C 229, 9. 9. 1985, p. 135.

⁽⁴⁾ Opinion delivered on 25/26 September 1985 (not yet published in the Official Journal).

⁽⁵⁾ OJ No L 169, 28. 6. 1984, p. 1.

⁽⁶⁾ OJ No L 73, 21. 3. 1975, p. 1.

⁽⁷⁾ OJ No L 27, 31. 1. 1984, p. 22.

Article 4

Expenditure arising from the special programme which is incurred from the day of entry into force of this Regulation shall be eligible.

Article 5

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

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

Done at Brussels, 17 December 1985.

For the Council

The President

J. F. POOS

COUNCIL REGULATION (EEC) No 3637/85**of 17 December 1985****amending Regulation (EEC) No 2619/80 instituting a specific Community regional development measure contributing to the improvement of the economic and social situation of the border areas of Ireland and Northern Ireland**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3634/85 of 17 December 1985 on the establishment of specific Community regional development measures in 1985⁽¹⁾, and in particular Article 1 thereof,

Having regard to the proposal from the Commission⁽²⁾,

Having regard to the opinion of the European Parliament⁽³⁾,

Having regard to the opinion of the Economic and Social Committee⁽⁴⁾,

Whereas Article 48 of Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund⁽⁵⁾ provides that, subject to the application of Article 45 thereof, Regulation (EEC) No 724/75⁽⁶⁾, including Title III relating to specific Community measures, is repealed; whereas, however, Article 1 of Council Regulation (EEC) No 3634/85 provides that the Council may, until 31 December 1985, in accordance with the provisions of Article 13 of Regulation (EEC) No 724/75, institute specific Community measures on the basis of proposals submitted by the Commission before 31 December 1984;

Whereas the said Article 13 provides for participation by the Fund in financing specific Community regional development measures; whereas the Council has stated its willingness to examine, within this framework, on a proposal from the Commission, any requests for aid relating to border problems in the most deserving regions of the Community submitted jointly by two or more Member States concerned;

Whereas, under the said Article 13, the Council adopted on 7 October 1980 Regulation (EEC) No 2619/80⁽⁷⁾,

which instituted a measure hereinafter referred to as a 'specific measure';

Whereas, pursuant to that Regulation and in particular Article 3 thereof, the Commission has approved special programmes relating to certain border areas in Ireland, on the one hand, and Northern Ireland on the other, and has at the same time allocated appropriations to those programmes;

Whereas the Member States concerned have provided the Commission with information on regional problems which might be the subject of a specific measure and whereas, taking account of the extent of difficulties both economic and in terms of employment, the specific measure in force should be extended to those zones particularly concerned by these problems and should be supplemented by new provisions;

Whereas the encouragement of small and medium sized undertakings (SMUs) could be accelerated by allowing them better to adapt their production potential, in particular through investment aids, and by facilitating access to innovation and risk capital;

Whereas economic promotion in the zones concerned should be further stimulated by especially active management of the public aids and services available, particularly those provided for under the special programme and whereas, to this end, there is a need to establish or extend services responsible for informing existing or potential undertakings of the availability of such aids and services and to help those undertakings to take advantage of them;

Whereas the natural gas supply and consumption in some of these areas located in Ireland could, while enabling the economic development base of these areas to be reinforced, contribute to the realization of Community energy policy objectives by reducing dependence on oil, by increasing security of energy supply through diversification of energy resources, and by improving the balance of trade of the Member State concerned;

Whereas, to this effect, necessary infrastructure operations should be provided for with a view to increasing the availability of natural gas through the development of transport and distribution networks and through feasibility studies, as well as a package of measures intended to stimulate the use of gas in the industrial and service sectors, comprising consultancy aid and technical assistance, aid for the promotion of consumer awareness and aid to investment in SMUs;

⁽¹⁾ See page 6 of this Official Journal.

⁽²⁾ OJ No C 70, 18. 3. 1985, p. 4. and OJ No C 258, 10. 10. 1985, p. 8.

⁽³⁾ OJ No C 229, 9. 9. 1985, p. 135.

⁽⁴⁾ Opinion delivered on 25/26 September 1985 (not yet published in the Official Journal).

⁽⁵⁾ OJ No L 169, 28. 6. 1984, p. 1.

⁽⁶⁾ OJ No L 73, 21. 3. 1975, p. 1.

⁽⁷⁾ OJ No L 271, 15. 10. 1980, p. 28.

Whereas, in order to accelerate the implementation of the special programmes, the provisions of Regulation (EEC) No 2619/80 concerning budgetary commitments, payment of aid from the Fund and advances made from the Fund should be amended;

Whereas additional financial resources are required to implement the specific measure so extended and strengthened;

Whereas each of the Member States concerned should submit to the Commission an amended special programme,

HAS ADOPTED THIS REGULATION:

Section 1

Article 1

Regulation (EEC) No 2619/80 is hereby amended in accordance with the following Articles.

Article 2

Article 2 shall be replaced by the following:

Article 2

The specific measure shall apply to the following border areas:

- (a) Ireland: the Counties of Donegal, Leitrim, Cavan, Monaghan, Louth and Sligo;
- (b) Northern Ireland, with the exception of the Belfast urban area.

Article 3

The following subparagraph shall be added to Article 3 (2):

'Moreover, the aim of the special programme, in certain areas located in Ireland, shall be the strengthening of economic competitiveness and growth potential, by the improvement of the regional energy situation, through the development of natural gas supply and demand, by means of appropriate measures in the fields of investment, technical assistance and consultancy services and the promotion of potential consumer awareness.'

Article 4

The following paragraph shall be inserted in Article 3:

'2a. The preparation and implementation of the special programme shall be closely coordinated with national and Community policies and financial instruments, in particular the European Agricultural Guidance and Guarantee Fund (EAGGF), Guidance

Section, the Social Fund, the European Investment Bank and the New Community instrument. (NCI).'

Article 5

The following paragraph shall be inserted in Article 3:

'6a. When approving the special programme, the Commission shall satisfy itself that the programme is compatible with Article 44 of Regulation (EEC) No 1787/84.'

Article 6

Article 3 (8) shall be replaced by the following:

'8. Once it has been approved, the special programme shall be published for information by the Commission.'

Article 7

The following paragraph shall be added to Article 3:

'9. Member States shall take the measures necessary to make potential beneficiaries and the various sectors of industry aware of the possibilities offered by the special programme and to inform the public by the most appropriate means of the role played by the Community.'

Article 8

The introductory sentence to Article 4 shall be replaced by the following:

'For all the areas referred to in Article 2, the Fund may contribute, within the framework of the special programme, to the following operations:'

Article 9

The following points shall be added to Article 4:

- '8. Aids to investment in SMUs designed to create new undertakings or to assist the adaptation of production to market potential by existing undertakings when justified by the analyses mentioned under point 7 (a) or other satisfactory evidence. Such investment may also concern common services for a number of undertakings;
- 9. Promotion of innovation in industry and services:
 - collection of information relating to product and technological innovation and its dissemination among undertakings operating in the zones covered by the specific measure, which may include experimental work on such innovation,
 - encouragement of the introduction of product and technological innovation in SMUs;
- 10. Better access for SMUs to risk capital;

11. Setting up or development of economic promotion agencies responsible for :

- opening up possibilities, through direct contacts at local level, for economic ventures by giving advice about access to available public aids and services, particularly those provided for under the special programme, and
- contributing to the success of these ventures by helping existing or potential undertakings to take advantage of such aids and services.

Moreover, for the areas of Ireland referred to in Article 2 of this Regulation, the Fund may contribute, within the framework of the special programme, to the following operations :

12. Infrastructure :

- (a) investments in the extension of the existing gas transmission pipeline system from Dublin to viable centres in the areas mentioned above, including the centres of Dundalk and Sligo ;
- (b) investments in distribution networks in the centres referred to under (a) in order to supply industrial, commercial and other consumers with natural gas ;
- (c) studies in order to examine the commercial and technical feasibility as well as financial viability of the supply of natural gas to the centres referred to under (a) ;

13. Consultancy and technical assistance :

making available to industrial and service activities, with a view to facilitating adaptation to natural gas and encouraging exploitation of new products and process possibilities, technical assistance and services in the following fields :

- (a) assessment of the technical implications and benefits and costs of conversion to natural gas ;
- (b) identification of new products and processes dependent on natural gas ;
- (c) analysis of market potential for existing and new products linked to the use of natural gas ;
- (d) identification, acquisition and transfer of technology aiming at new high performance use of natural gas ;

14. Investment aids to SMU's :

encouragement of investments in order to assist existing and new SMU's in :

- (a) the conversion of existing equipment operating on oil-based products and the adoption of new equipment for the use of natural gas ;
- (b) the adoption of new products and improved production processes made possible by the use of natural gas ;

15. Promotion of consumer awareness :

Publicity and information campaigns to make potential users aware of the availability and advantages of natural gas and of the measures envisaged under the special programme. These campaigns will include the organization of seminars, courses and conferences, propagation of standards and demonstration projects to highlight in particular the benefits of high-performance gas equipment.

Article 10

The following points shall be added to Article 5 (1) :

- (k) operations relating to investment under point 8 of Article 4 : 50 % of the public expenditure resulting from the granting of aid to the investment. Such aid may contain a supplementary element compared to the most favourable existing regional arrangements. The supplementary aid which is to be borne by the Community for four years may be up to 10 % of the cost of the investment. The public aid may take the form of a capital grant or an interest rebate ;
- (l) operations concerning the collection and dissemination of information on innovation under the first indent of point 9 of Article 4 : aid covering part of the operating costs of bodies engaged in such activities, provided that these activities are new and concern specifically the zones covered by Article 2. The aid shall last for three years and be degressive. It shall cover 70 % of the operating costs in the first year and shall not exceed 55 % of the total cost over the three-year period ;
- (m) operations for implementing innovation under the second indent of point 9 of Article 4 : 70 % of the cost of feasibility studies that may concern all aspects, including commercial, of the implementation of innovation, limited to 120 000 ECU per study. These studies must be undertaken by or on behalf of undertakings situated in the zones covered by Article 2 ;

- (n) operations relating to risk capital under point 10 of Article 4: contributions towards the operating costs of financial institutions providing risk capital for SMUs. The contribution shall be 70 % of the costs of risk evaluation studies carried out by or on behalf of the financial institutions. These studies may also examine commercial aspects;
- (o) operations relating to economic promotion under point 11 of Article 4: aid covering a part of the operating costs arising from the activities of promoters. The aid shall last for five years and shall be degressive. It shall cover 60 % of operating costs in the first year and shall not exceed 50 % of the total expenditure per promoter over the five-year period. These activities, which must be new and concern specifically the zones referred to in Article 2, may be entrusted by the Member State concerned to special bodies;
- (p) for infrastructure :
 - (i) operations relating to investments in the transmission pipeline under point 12 (a) of Article 4: 50 % of the public expenditure;
 - (ii) operations relating to investments in distributions networks under point 12 (b) of Article 4: 50 % of the public expenditure linked to the grant of interest rebates on loans in order to facilitate the financing of those networks;
 - (iii) operations relating to studies under point 12 (c) of Article 4: 50 % of the public expenditure resulting from the granting of aid to these studies;
- (q) for economic consultancy and technical assistance :
 - (i) operations under point 13 (a) of Article 4: 50 % of the public expenditure resulting from the granting of aid to these studies;
 - (ii) operations under point 13 (b) of Article 4: 50 % of the public expenditure resulting from the granting of aid to the costs of research and development work; the contribution of the Community shall be limited to 120 000 ECU for any project;
 - (iii) operations under point 13 (c) of Article 4: 70 % of the public studies;
 - (iv) operations under point 13 (d) of Article 4: 50 % of the public expenditure resulting from the granting of aid to feasibility studies; the contribution of the Community shall be limited to 120 000 ECU for any one project;
- (r) for operations relating to investment under point 14 of Article 4: 50 % of the public expenditure resulting from the granting of aid to investment

in equipment for conversion to natural gas (for existing firms), investment in equipment related to natural gas (for new firms), and investment in equipment related to the adoption of new products and production processes (for existing and new firms). Public aid may take the form of a capital grant or an interest rebate;

- (s) operations relating to promotion of awareness under point 15 of Article 4: aid covering part of the cost of publicity and information campaigns. This aid shall last for five years and shall be degressive. It shall cover 60 % of expenditure in the first year and shall not exceed 50 % of the total expenditure over the five-year period.'

Article 11

Article 5 (2) shall be replaced by the following:

'2. Aggregation of the aid referred to in paragraph 1 with aid of the same type, for the same operations granted pursuant to other provisions of Council Regulation (EEC) No 1787/84 is excluded.'

Article 12

The last sentence of Article 5 (3) shall be replaced by the following:

'The aids referred to in paragraph 1 (h), (j) and (m) where they directly benefit undertakings, as well as those referred to in (q) (iii), may not have the effect of reducing the share paid by undertakings to less than 20 % of total expenditure.'

Article 13

Article 5 (5) shall be replaced by the following:

'5. Budgetary commitments relating to the financing of the special programme shall be implemented by annual tranche. The first tranche shall be committed at the time of the Commission's acceptance of the programme. The commitment of subsequent annual tranches shall be made according to budgetary availability and progress on the programme.'

Article 14

The introducing sentence to Article 6 (1) shall be replaced by the following:

'1. the amount of the Fund contribution in respect of the measures included in the special programme shall be paid to the Member State concerned or directly, and in accordance with the latter's instructions, to the bodies responsible for their implementation, according to the following rules:'

Article 15

Article 6 (1) (c) shall be replaced by the following :

'(c) at the request of a Member State, advances may be granted for each annual tranche according to progress made on operations and budgetary availability.

From the beginning of operations, a 60 % advance on the Fund contribution concerning the first annual tranche may be paid by the Commission. Where the Member State certifies that half this first tranche has been spent, a second advance, of 25 %, may be paid by the Commission.

When payment of the following annual tranche has begun, advances may be paid under the terms of the preceding subparagraphs.

The balance of each annual tranche shall be paid at the request of the Member State when it has certified that the operations corresponding to the tranche in question may be considered as finished, and presentation of the amount of public expenditure which has been incurred.'

Article 16

Article 6 (5) shall be replaced by the following :

'5. When each special programme has been implemented, a report including information on the number and nature of the jobs created and maintained shall be presented by the Commission to the Regional Policy Committee and to the European Parliament.'

Article 17

The Annex is hereby amended as follows :

1. The second sentence in point 1 (a) shall be replaced by the following :

'Analysis of the situation and needs of SMUs, particularly as concerns market potential and measures to be implemented in order to adapt and develop production, management and organization services, information on innovation and for implementing it, and access

to risk capital. Analysis of the state of energy supply, and an evaluation of the potential natural gas demand by type of consumer, particularly as concerns industry. In respect of natural gas consumption, analysis of the situation and the needs of industry by sector and of their economic consultancy and technical assistance requirements, and those of SMUs concerning investments'.

2. The following shall be added at point 2 (a) :

'(v) description and location of the planned extensions of natural gas transport and distribution networks'.

*Section 2**Article 18*

1. Ireland and the United Kingdom shall adapt the special programmes referred to in Article 3 of Regulation (EEC) No 2619/80 in accordance with the amendments introduced by Section 1 of this Regulation.

2. The adapted special programmes shall be approved by the Commission in accordance with Article 3 (6) of Regulation (EEC) No 2619/80.

3. Without prejudice to Article 5 (4) of Regulation (EEC) No 2619/80, the amount of the Fund's assistance to the adapted special programmes may not exceed the amount fixed by the Commission at the time of approval of the programmes.

4. The duration of the adapted special programmes shall be extended until the end of the fifth year starting from the sixtieth day following the date on which this Regulation enters into force.

5. Expenditure arising from the special programmes thus adapted which is incurred from the date of entry into force of this Regulation shall be eligible.

Article 19

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

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

Done at Brussels, 17 December 1985.

For the Council

The President

J. F. POOS

COUNCIL REGULATION (EEC) No 3638/85**of 17 December 1985****instituting a specific Community regional development measure contributing to the development of new economic activities in certain zones affected by the implementation of the Community fisheries policy**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3634/85 of 17 December 1985 on the establishment of specific Community regional development measures in 1985⁽¹⁾, and in particular Article 1 thereof,

Having regard to the proposal from the Commission⁽²⁾,

Having regard to the opinion of the European Parliament⁽³⁾,

Having regard to the opinion of the Economic and Social Committee⁽⁴⁾,

Whereas Article 48 of Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund⁽⁵⁾, hereinafter referred to as 'the Fund Regulation', provides that, subject to the application of Article 45 thereof, Regulation (EEC) No 724/75⁽⁶⁾, including Title III relating to specific Community measures, is repealed; whereas, however, Article 1 of Council Regulation (EEC) No 3634/85 provides that the Council may, until 31 December 1985, in accordance with Article 13 of Regulation (EEC) No 724/75, institute specific Community measures on the basis of proposals submitted by the Commission before 31 December 1984;

Whereas the said Article 13 provides for participation by the Fund in financing specific Community regional development measures which are in particular linked to Community policies and to measures adopted by the Community in order to take better account of their regional dimension or to reduce their regional consequences;

Whereas the Member States concerned have provided the Commission with information on regional problems which might be the subject of a specific Community measure;

Whereas the Fund's resources are allocated with due regard to the relative severity of regional imbalances within the Community;

Whereas certain non-member countries with Atlantic sea coasts extended their exclusive fishery zones to 200 nautical miles from 1975 and whereas from 1977 certain Member States of the Community, acting in concert, were led to apply similar measures off their coasts bordering the North Sea, the North Atlantic, the Western Atlantic, the Skagerrak, the Kattegat and the Baltic Sea and whereas in view of the over-exploitation of the stocks of the main species the Commission adopted interim conservation measures for fishery resources;

Whereas the Council adopted Regulation (EEC) No 101/76 establishing a common structural policy for the fisheries sector⁽⁷⁾ comprising measures restricting catches of certain species, as well as the zones, periods, methods and fishing equipment in the seas mentioned above;

Whereas the Council adopted Regulation (EEC) No 170/83 establishing a Community system for the conservation and management of fisheries resources⁽⁸⁾ and also implementing Regulations (EEC) Nos 171/83 to 181/83⁽⁹⁾; whereas this system comprises notably measures restricting TACs (total allowable catches) and the sharing-out of the same by means of national quotas for individual species, and certain technical measures comprising reductions in by-catches, and whereas these arrangements are likely to affect the fishery activities of Member States with coasts bordering those seas;

Whereas these developments, taken as a whole, have affected and will affect, notably as regards employment, certain zones in the Federal Republic of Germany, France, the United Kingdom and Denmark which are highly dependent on fishery and are situated in regions characterized by a difficult socio-economic situation;

Whereas it is necessary for the Community, by means of a specific Community regional development measure, to reinforce existing local, national and Community measures aimed at stimulating the creation of new employment in such zones in order to replace lost jobs and thus help to reduce regional imbalances;

⁽¹⁾ See page 6 of this Official Journal.

⁽²⁾ OJ No C 70, 18. 3. 1985, p. 9; OJ No C 258, 10. 10. 1985, p. 9.

⁽³⁾ OJ No C 229, 9. 9. 1985, p. 135.

⁽⁴⁾ Opinion delivered on 25/26 September 1985 (not yet published in the Official Journal).

⁽⁵⁾ OJ No L 169, 28. 6. 1984, p. 1.

⁽⁶⁾ OJ No L 73, 21. 3. 1975, p. 1.

⁽⁷⁾ OJ No L 20, 19. 1. 1976, p. 19.

⁽⁸⁾ OJ No L 24, 27. 1. 1983, p. 1.

⁽⁹⁾ OJ No L 24, 27. 1. 1983, pp. 14-107.

Whereas other assistance from Community Funds, capable of being usefully combined, should be given in these zones; whereas, in particular, the measures planned for restructuring and modernizing the fishing fleet in these zones and for improving conditions for the marketing and processing of fishery products, as approved by the Commission under multiannual programmes, will be continued in compliance with their own specific purposes and arrangements;

Whereas the existence of an unfavourable physical environment due to the run-down state of certain fishing ports and their surrounding industrial and urban areas makes it difficult to attract new employment-providing activities to these zones;

Whereas the encouragement of small and medium-sized undertakings (SMUs) and of craft activities requires that they be enabled better to adapt their productive potential in particular by way of investment aids and by facilitating access to necessary services in management, organization and finance;

Whereas economic activity in the zones concerned should be given greater stimulus through an especially active administration of available public aids and services, in particular those provided for under the special programme; whereas to that end, it is necessary to establish or extend advisory agencies responsible for informing existing or potential economic operators of access to such aids and services and for helping them to take advantage of them;

Whereas account must be taken of the potential for tourism in these areas and of the effect that the promotion and coordinated management of tourism could have on employment and income for the populations concerned;

Whereas the Community measure must be implemented in the form of special multiannual programmes; whereas it is for the Commission, in approving these programmes, to satisfy itself that the operations planned thereunder comply with the provisions of this Regulation;

Whereas the special programmes must correspond to certain of the objectives encompassed by the regional development programmes provided for under Article 1 of the Fund Regulation;

Whereas the Commission must verify that the special programmes are properly carried out by examining the annual reports which the Member States concerned present to it for this purpose;

Whereas the Council, the European Parliament and the Economic and Social Committee must be informed regularly of the implementation of this Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

A specific Community regional development measure, hereinafter referred to as the 'specific measure', is hereby

established, contributing to the development of new economic activities in certain zones adversely affected by the implementation of the Community fisheries policy.

Article 2

1. The specific measure shall apply to zones which in principle meet the following criteria:

- (a) a minimum number of jobs in the fisheries sector;
- (b) employment dependent in large measure on the fisheries sector;
- (c) job losses in the fisheries sector;
- (d) the social and economic situation in the region in which the zone concerned is situated. This situation shall be assessed on the basis of the per capita gross domestic product (GDP) and structural unemployment;
- (e) eligibility of the zone concerned for a national regional aid scheme.

2. The zones complying with the criteria referred to in paragraph 1 shall be the following:

- (a) in Denmark: the amtskommune of Bornholm; in the amtskommune of Nordjylland, all kommuner north of the Limfjord except Aalborg; in the amtskommune of Viborg, the kommuner of Hanstholm, Thisted, Sydthy, Morsø, Sallingsund and Sundsøre; in the amtskommune of Ringkøbing, the kommuner of Thyborøn-Harboøre, Thyholm, Lemvig, Ulborg-Vemb, Ringkøbing, Holmsland, Skjern and Egvad;
- (b) in the Federal Republic of Germany, the arbeitsmarkregionen of Bremerhaven and Cuxhaven;
- (c) in France: in the département of Charente-Maritime the arrondissement of La Rochelle, in the département of Finistère the arrondissement of Quimper and in the département of Morbihan the arrondissement of Lorient;
- (d) in the United Kingdom: the travel-to-work areas of Blackpool, Hull and Grimsby.

Article 3

1. The specific measure shall be implemented in the form of a special programme, hereinafter referred to as the 'special programme', to be presented to the Commission by each of the Member States concerned.

2. The objective of the special programme shall be to contribute to the development of employment-providing activities in the zones referred to in Article 2. It shall to this end be directed towards the improvement of their physical environment, this being necessary in order to encourage the setting up of such activities, towards the development of SMUs and craft activities, towards the stimulation of economic activity in general, and towards the promotion of tourism.

3. The preparation and implementation of the special programme shall be closely coordinated with national and Community policies and financial instruments, in particular the Guidance Section of the European Agricultural Guidance and Guarantee Fund and the other Financial Instruments of the fishing sector, the Social Fund, the European Investment Bank and the New Community Instrument (NCI).

4. The special programme shall fall within the framework of the regional development programmes mentioned in Article 1 of the Fund Regulation.

5. The special programme shall contain appropriate information, as specified in the Annex hereto, analyzing the situation and needs related to the objectives stated in paragraph 2, the operations proposed, the timetable for carrying them out and, in general, all factors necessary to enable its consistency with regional-development objectives to be assessed.

6. The duration of the special programme shall be five years starting from the 60th day after the date on which this Regulation enters into force.

7. The special programme shall be approved by the Commission after intervention by the Fund Committee in accordance with the procedure laid down in Article 40 of the Fund Regulation.

8. When approving the special programme, the Commission shall satisfy itself that the programme is compatible with Article 44 of the Fund Regulation.

9. The Commission shall inform the European Parliament of the amounts adopted for the zones when the special programme is approved.

10. Once it has been approved, the special programme shall be published for information by the Commission.

11. Member States shall take the measures necessary to make potential beneficiaries and the various sectors of industry aware of the possibilities offered by the special programme and to inform the public by the most appropriate means of the role played by the Community.

Article 4

The Fund may participate, within the framework of the special programme, in the following operations:

1. redevelopment of fishing ports by means of demolition, conversion or reconstruction works in order to establish new activities, including tourism activities;

redevelopment of run-down sites whose character is industrial or industrial and urban to the extent to which the two aspects cannot be dissociated, inclu-

ding: the cleaning-up and preparation of such areas, demolition and redevelopment of disused industrial buildings and conversion of their sites, including the modernization and conversion of premises for SMUs and craft activities, the creation of green areas and minor works for improving the appearance of localities and, where justified, minor roads giving access to the locations of new activities;

2. studies aimed at identifying the development potential of the zones listed at Article 2 (2), including:

- sectoral analyses intended to provide SMUs and craft undertakings with information on the potential of national, Community and external markets and on the effects to be anticipated therefrom on production and organization of these undertakings,
- research work on marine and coastal problems including environmental protection matters, but excluding internal fisheries sector problems,
- studies to improve knowledge of local tourism potential;

3. if justified by the analyses mentioned under point 2, or other satisfactory evidence, aids to investment in SMUs or craft activities in order to create new undertakings or, where existing undertakings are concerned, to facilitate:

- diversification of the activities of fisheries industry undertakings to include cooperation in other sectors,
- adaptation of the production of undertakings from other sectors to market potential.

Such investment may also concern common services for a number of undertakings;

4. creation or development of consultancy firms or other bodies for management or organization matters; setting up or development of economic promotion agencies.

The activities of such firms or bodies may include temporary assistance to undertakings for the implementation of their recommendations.

Economic promotion agencies shall be responsible for:

- opening possibilities, through direct contacts at local level, for economic ventures by giving advice about access to available public aids and services, particularly those provided for under the special programme, and
- contributing to the success of these ventures by helping existing or potential economic operators to take advantage of such aids and services;

5. establishment or development of common services for a number of undertakings ;
6. promotion of innovation in industry and services :
- (a) collection of information relating to product and technological innovation and its dissemination among undertakings operating in the zones covered by the specific measure, which may include experimental work on such innovation ;
 - (b) encouragement of the introduction of product and technological innovation in SMUs ;
7. promotion of tourism :
- (a) construction and conversion, which may include improvements to technical equipment, of tourist accommodation, including furnished accommodation for holiday letting and camping and caravan sites ;
 - (b) establishment or development of common services or agencies responsible for promotion and advertising, the organization of touristic events and the coordinated management of accommodation services, including the organization of information briefings for persons in the tourist industry ;
 - (c) provision of amenities and infrastructures directly linked to the development of tourism, in particular, marine-oriented tourism ; work to improve marine sports facilities ; development of infrastructure facilitating access to tourist areas, including those for pleasure aircraft ;
 - (d) environmental protection work, where this is preliminary to the development of tourism :
 - vital shore protection works,
 - installation of water quality analysis and monitoring equipment,
 - improvement of waste treatment and disposal plants.
- (a) reclamation and conversion operations under point 1 of Article 4 : 50 % of public expenditure ;
 - (b) operations relating to studies under point 2 of Article 4 : 70 % of their cost ;
 - (c) operations relating to investment under point 3 of Article 4 : 50 % of the public expenditure resulting from the granting of aid to the investment. Such aid may contain a supplementary element compared to the most favourable existing regional arrangements. The supplementary aid which is to be borne by the Community for four years may be up to 10 % of the cost of the investment. The public aid may take the form of a capital grant or an interest rebate ;
 - (d) operations relating to consultancy services under point 4 of Article 4 : aid covering part of the expenditure of undertakings relating to services provided by consultancy firms or bodies. The aid shall last for three years and shall be degressive. It shall cover 70 % of expenditure in the first year and shall not exceed 55 % of the total expenditure over the three-year period (indirect aid) ; the Member State may replace this system by an equivalent system of aid to consultancy firms or bodies (direct aid) ;
 - (e) operations relating to economic promotion under point 4 of Article 4 : aid covering a part of the operating costs arising from the activities of promoters. The aid shall last for five years and shall be degressive. It shall cover 60 % of operating expenditure in the first year and shall not exceed 50 % of the total expenditure per promoter over the five-year period. These activities, which must be new and concern specifically the zones referred to in Article 2, may be entrusted by the Member State concerned to special bodies ;
 - (f) operations relating to common services under Article 4 (5) ; aid covering part of the expenditure of undertakings relating to the operation of these services. The aid shall last for three years and shall be degressive. It shall cover 70 % of expenditure in the first year and shall not exceed 55 % of the total expenditure over the three-year period ;
 - (g) operations concerning the collection and dissemination of information on innovation under Article 4 (6) (a) : aid covering part of the operating costs of bodies engaged in such activities, provided that these activities are new and concern specifically the zones covered by Article 2. The aid shall last for three years and be degressive. It shall cover 70 % of the operating costs in the first year and shall not exceed 55 % of the total cost over the three-year period ;

Article 5

1. The special programme shall be the subject of joint financing between the Member State and the Community. The contribution from the Fund shall be provided within the framework of the appropriations entered for this purpose in the general budget of the European Communities. The Community's contribution is laid down as follows :

(h) operations for implementing innovation under Article 4 (6) (b): 70 % of the cost of feasibility studies that may concern all aspects, including commercial, of the implementation of innovation, limited to 120 000 ECU per study. These studies must be undertaken by or on behalf of undertakings situated in the zones covered by Article 2;

(i) with regard to tourism:

(i) operations relating to accommodation under point 7 (a) of Article 4: 50 % of the public expenditure resulting from the granting of investment aid, with a limit of 30 % of the cost of the investment;

(ii) operations relating to the promotion of tourism under point 7 (b) of Article 4: aid covering part of the operating costs of the common services or agencies. These operating costs may include the cost of advertising campaigns and of tour studies. The aid shall last for three years and shall be degressive. It shall cover 70 % of operating costs in the first year and shall not exceed 55 % of the total of these costs over the three-year period;

(iii) operations relating to equipment and infrastructure under point 7 (c) of Article 4: 50 % of public expenditure;

(iv) operations relating to environmental protection work under point 7 (d) of Article 4: 50 % of public expenditure;

2. Aggregation of the aid referred to in paragraph 1 with aid of the same type, for the same operations, granted pursuant to other provisions of the Fund Regulation, is excluded.

3. The categories of beneficiaries of Fund assistance in respect of operations provided for in paragraph 1 may be: public and local authorities, other bodies, undertakings or individuals. The aid referred to in paragraph 1 (d) and (f) and, where they directly benefit undertakings, those referred to in paragraph 1 (h), may not have the effect of reducing the share paid by undertakings to less than 20 % of total expenditure.

4. The amount of the Fund's assistance in favour of the special programme may not exceed the amount fixed by the Commission at the time when the programme is approved under Article 3 (7).

5. Budgetary commitments relating to the financing of the special programme shall be implemented by annual tranche. The first tranche shall be committed at the time of the Commission's acceptance of the programme. The commitment of subsequent annual tranches shall be

made according to budgetary availability and progress on the programme.

Article 6

1. The amount of the Fund contribution in respect of the measures included in the special programme shall be paid to the Member State concerned or directly, in accordance with the latter's instructions, to the bodies responsible for their implementation, according to the following rules:

(a) expenditure incurred from the date of entry into force of this Regulation shall be eligible;

(b) where there is a financial contribution by the Member State, payments, other than advances referred to in point (c), shall be made as far as possible in parallel with the payment of the Member State's contribution. In any other case, payments shall be made when the Member State certified that the amount is due and may be paid by the Community.

Each request for payment shall be accompanied by a statement from the Member State certifying the operation and the existence of detailed supporting documents, and shall contain the following information:

— the nature of the operations covered by the payment claim,

— particulars of the amount and nature of the expenditure paid in respect of the operations during the period covered by the claim,

— confirmation that the operations described in the payment claim have been commenced in accordance with the special programme;

(c) at the request of a Member State, advances may be granted for each annual tranche according to progress made on operations and budgetary availability.

From the beginning of operations, a 60 % advance on the Fund contribution concerning the first annual tranche may be paid by the Commission. Where the Member State certifies that half this first tranche has been spent, a second advance, of 25 %, may be paid by the Commission.

When payment of the following annual tranche has begun, advances may be paid under the terms of the preceding subparagraphs.

The balance of each annual tranche shall be paid at the request of the Member State when it has certified that the operations corresponding to the tranche in question may be considered as finished, and on presentation of the amount of public expenditure which has been incurred.

2. At the end of each year, the Member State concerned shall present to the Commission a report on the progress made in carrying out the special programme by reference to the information required in the Annex hereto. These reports should enable the Commission to satisfy itself that the special programme is being executed, to observe its effects and to establish that the different operations are being carried out in a mutually coherent manner. They shall be forwarded to the Regional Policy Committee.

3. On the basis of these reports and the relevant decisions, the Commission shall report under the conditions laid down in Article 46 of the Fund Regulation.

4. Where major amendments are made to a special programme during implementation, the procedure provided for in Article 3 (7) shall apply.

5. When each special programme has been implemented, a report including information on the number and nature of the jobs created and maintained shall be presented by the Commission to the Regional Policy Committee and to the European Parliament.

6. Article 32 of the Fund Regulation shall apply, as required, to the specific measure provided for in this Regulation.

Article 7

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

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

Done at Brussels, 17 December 1985.

For the Council

The President

J. F. POOS

ANNEX

The special programme shall include the following information on the zones covered under Article 2:

1. In respect of fishing ports and industrial sites:

- (a) (i) description of the state of the fishing ports and an analysis of the state of dereliction of sites and the industrial premises;
- (ii) particulars of existing actions for resolving the problem of dereliction and of the average annual public expenditure involved;
- (b) in relation to the operations envisaged under Article 4: a description and exact location of programmes for the development of the fishing ports for the reclamation of derelict sites and conversion of industrial premises. Where relevant, details of essential minor road links.

2. In respect of small and medium-sized undertakings (SMUs) and craft industries:

- (a) (i) a description of the present situation of SMUs and craft industries in the different sectors and an evaluation of their possibilities for future development. Analysis of their situation and needs, particularly as concerns management and organization;
- (ii) a description of aid systems for the SMUs and craft industries and of the nature of existing services available showing, by categories of aids and services, the resultant annual average public expenditure involved;
- (b) in relation to the operations envisaged under Article 4:
 - (i) particulars of the nature of sectoral analyses bearing on production structures, market potential and measures to be implemented in order to adapt and develop production and make it commercial;
 - (ii) a description of rules governing aids set up under the programme;
 - (iii) a description of the different types of management and organization services to be provided to SMUs and craft industries and of the aids for setting up common services to which SMUs may have recourse. Particulars of the bodies responsible for the provisions of such services and for activating the development of SMUs and craft undertakings. Description of the activities envisaged within the framework of the economic promotion programme.

3. In respect of innovation:

- (a) an analysis of the needs of undertakings of the means currently at their disposal to gain access to information on innovation and for implementing it, and assessment of related public expenditure;
- (b) in relation to the operations envisaged under Article 4: a description of the measures designed to ensure the collection and dissemination of information on innovation, and also to facilitate its implementation by SMUs.

4. Description of research on the problems of the sea and coasts envisaged within the framework of the programme under the second indent of Article 4 (2).

5. In respect of tourism:

- (a) (i) analysis of the situation and the needs of tourism and an estimate of the potential tourist demand during the period covered by the programme; description of the needs in the field of the preservation and protection of the environment;
- (ii) particulars of the aid schemes and other measures designed to promote tourism and the preservation and protection of the environment, with an indication of the annual average public expenditure incurred under such systems;
- (b) in relation to the operation envisaged under Article 4:
 - (i) estimate of the capacity and the type of additional accommodation which it is proposed to install or convert;
 - (ii) nature and activities of the bodies responsible for the development and promotion of tourism;
 - (iii) description of the types of amenities and infrastructure to be provided and their location;
 - (iv) description of investment for the preservation and protection of the environment;
 - (v) description of the public aids related to the different measures in the tourism sector.

6. In respect of the totality of the special programme :

- (a) a description, as far as possible with figures, of the objective covered by the special programme, particularly regarding employment ;
- (b) a description of existing or prospective public measures which it is proposed to carry out side by side with the special programme in order to improve the employment situation in the zones covered by Article 2, and in particular measures related to :
 - aids for productive investment,
 - investment in infrastructure,
 - aids related to vocational training and retraining and, as appropriate, those which are particularly aimed at the employment of young people and the recycling of former workers in the fishing industry.

This description must be accompanied by a statement giving particulars of the national authorities' intentions as regards the use of other resources deriving from Community structural funds ;

- (c) an indication of the amounts of public expenditure in connection with the measures envisaged under (b) above ;
 - (d) the timetable for carrying it out ;
 - (e) estimate of the volume of public expenditure connected with the programme's implementation, including an annual breakdown of such expenditure for each of the operations envisaged ;
 - (f) designation of the bodies responsible for execution of the programme and the various operations ;
 - (g) information measures planned to make potential beneficiaries and the various sectors of industry aware of the possibilities offered by the special programme and of the role played by the Community in this respect.
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COUNCIL REGULATION (EEC) No 3639/85**of 19 December 1985****on a programme of support for technological development in the hydrocarbons sector**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas the implementation of a Community energy strategy is one of the objectives which the Community has set itself and whereas it is for the Commission to propose the measures to be taken to that end; whereas the Council accordingly adopted Regulation (EEC) No 3056/73 of 9 November 1973 on the support of Community projects in the hydrocarbons sector ⁽⁴⁾;

Whereas, in view of the importance of hydrocarbons in the Community's energy supplies and the Community's dependence on imports, it is a fundamental objective of such a policy to secure conditions ensuring long-term security of supply;

Whereas encouragement for technological development activities directly connected with hydrocarbons exploration, production, storage or transportation activities is such as to improve security of supply and could therefore be a means of achieving such a policy;

Whereas primary responsibility for financing such activities lies with the petroleum industry; whereas, however, in view of the considerable risks and investments which such activities entail, provision should be made for the Community to grant them support, especially to the extent that it makes it possible to carry out certain projects more quickly;

Whereas technological development activities can be differentiated from research activities, although some phases of technological development projects may include a certain degree of research;

Whereas Community support is likely to encourage the pooling of efforts by undertakings in two or more Member States;

Whereas service undertakings and equipment-construction undertakings have played an important role in these technological development activities;

Whereas projects which are of crucial importance for the security of the Community's hydrocarbons supplies and which relate to technological development activities directly connected with exploration, production, storage or transportation activities could qualify for such support; whereas this support should be financial in character;

Whereas the specifically international character of the structure and activities of the undertakings operating in the hydrocarbons sector justifies direct transmission of project dossiers to the Commission;

Whereas an Advisory Committee made up of representatives from the Member State can assist the Commission in selecting projects to which support is to be granted;

Whereas the granting by the Community of the support envisaged must not affect the conditions of competition in a manner incompatible with the relevant provisions of the Treaty;

Whereas the Community must have at its disposal every appropriate means of assessing, case by case, the likely benefits of such projects and their compatibility with the objectives of Community energy policy;

Whereas, to this end, those benefiting should take on obligations towards the Community in return for the support which they are to be granted;

Whereas it is important that the efforts made to support technological development in the hydrocarbons sector should be sustained for a further period as a back-up to the Community's energy strategy;

Whereas the Commission has evaluated the programme which was set up and has been implemented since 1974 under Regulation (EEC) No 3056/73 in reports which it has submitted to the Council and the European Parliament on the application of that Regulation; whereas this evaluation has shown that the programme should be continued and adapted in the light of the experience gained; whereas this adaptation concerns essentially the duration of the programme, the decision-making process, the definition of priority objectives and the procedure for implementing the programme;

Whereas the Treaty does not provide the powers necessary for this purpose, other than those of Article 235,

⁽¹⁾ OJ No C 325, 6. 12. 1984, p. 6.

⁽²⁾ OJ No C 175, 15. 7. 1985, p. 279.

⁽³⁾ OJ No C 160, 1. 7. 1985, p. 13.

⁽⁴⁾ OJ No L 312, 13. 11. 1973, p. 1.

HAS ADOPTED THIS REGULATION:

Article 1

The Community may grant financial support for the carrying out of Community projects in the areas defined in Article 2 which are of crucial importance for the security of its hydrocarbons supplies.

Article 2

1. For the purposes of this Regulation, 'Community technological development projects in the hydrocarbons sector' shall mean projects relating to exploration, production, storage or transportation activities in the hydrocarbons sector which satisfy the following conditions:

- they develop innovatory techniques, processes or products or exploit a new application of techniques, processes or products for which the research stage is completed,
- they offer prospects of industrial, economic and commercial viability,
- they present difficulties with regard to finance because of the considerable technical and economic risks involved, such that they would very probably not be carried out without Community financial support.

2. The Commission shall draw up each year, after consulting the Advisory Committee referred to in Article 5 (2), the priorities for project selection. These priorities shall then be referred to in invitations to submit projects.

3. Financial support may be granted for a project as a whole or for various stages of a project.

Article 3

All projects shall be the responsibility of a natural person or a legal person constituted in accordance with the laws of the Member State.

If the creation of a legal entity with the legal capacity to carry out a project involves additional costs for the participating undertakings, the project may be carried out simply on the basis of cooperation between natural or legal persons. In that case, such persons shall be jointly and severally liable for the obligations resulting from Community support.

Article 4

1. Support for a project shall take the form of a Community financial contribution, granted under the conditions laid down in paragraphs (2), (3) and (4) and Articles 5, 6 and 7, and shall be refundable under certain conditions.

2. Support shall not exceed 40 % of the eligible cost of the project. When determining the amount of support to be granted, the Commission shall take into account other financial aid for the projects received or expected from Community, national or other sources and the share of the risk borne directly by those responsible for the project.

3. The level of support shall be determined for each project individually, in accordance with the procedure laid down in Article 5.

4. When selecting projects in the manner laid down in Article 5 (2), the Commission will, as an adjunct to the criteria laid down in Article 2, take account of a preference to be given to projects with the following characteristics:

- (a) projects involving the association of at least two independent undertakings established in different Member States, provided that it is established that each undertaking can make an effective and significant contribution to carrying out the project;
- (b) projects submitted by small and medium-sized undertakings, either individually or under the conditions set out in (a).

Article 5

1. Every project submitted by individuals or undertakings in the Community following an invitation to submit projects published in the *Official Journal of the European Communities* shall be examined by the Commission on the basis of the following information to be provided by the applicants:

- a detailed description of the project, including the organization of its management,
- the importance of the project for the security of the Community's hydrocarbons supplies,
- the nature and extent of the technical and economic risks inherent in the project,
- the cost of the project, its expected profitability and the financing arrangements proposed,
- any information enabling the industrial, economic and commercial viability of the product to be assessed,
- the time scale for carrying out the project,
- the financial situation and technical capabilities of the person or persons responsible for the project,
- details of any form of cooperation envisaged with other undertakings in the Community or in non-member countries,
- details of the undertakings involved, where they are established and the role each is to play in the project,
- details of any financial aid which the project received from the Community or the Member States at an earlier stage of research and development,

- details of any other measure of financial support, foreseen or expected from the Member States or the Community,
- an assessment of any possible impact on the safety of persons and on the environment,
- details of a plan for disseminating the results,
- any other factor which may justify the Community support requested.

2. The Commission shall decide whether to grant support for projects after consulting an Advisory Committee made up of representatives of the Member States and on the basis of the opinions delivered by that Committee.

The Committee shall be chaired by a representative of the Commission. It shall draw up its rules of procedure.

The Commission's decision shall be communicated forthwith to the Council, the Member States and the European Parliament. It shall apply upon expiry of a period of 15 working days from the date of receipt of that communication if, during that period, no Member State has referred the matter to the Council.

Where the matter is referred to the Council, the latter shall act on the Commission's decision by a qualified majority in accordance with Article 148 (2) of the Treaty within 30 working days.

Article 6

The support granted by the Community must not affect the conditions of competition in a manner incompatible with the relevant provisions of the Treaty.

Article 7

1. The Commission shall negotiate and conclude the contracts necessary for the execution of projects selected in accordance with Article 5. To that end, it shall draw up a model contract setting forth the rights and obligations of each party and in particular the procedures for any repayment of financial support granted and for access to and dissemination, as well as utilization, of knowledge.

2. The person or persons responsible for executing a project in receipt of Community support shall send the Commission, at least once a year or at its request, a report on the fulfilment of contractual obligations towards the Commission and in particular on the progress of work on the project and the expenditure incurred in carrying it out.

3. The Commission may have checks carried out on the spot and on the basis of documents enabling it to

monitor the performance of the contract and in particular the progress and execution of the project.

Throughout the duration of the work and during the five years following its completion, the Commission and the Court of Auditors, or their representatives, shall have access to the accounts relating to the project for which support has been granted.

Documents relating to the projects must be kept for the same period.

4. Where the extent of Community financial support and the size of the project so warrant, the Commission may participate as an observer in meetings of the bodies responsible for the management of projects if, in agreement with the promoter, such participation is provided for by the contract.

Article 8

The information gathered pursuant to this Regulation shall be confidential.

Article 9

Every two years a report shall be made by the Commission to the Council and to the European Parliament on the application of this Regulation. This report shall include, in particular, a statement on the situation regarding repayment of subsidies.

Article 10

The appropriations to be allocated pursuant to this Regulation shall be entered in the general budget of the European Communities.

The total amount of appropriations estimated as necessary for the period from 1 January 1986 to 31 December 1989 pursuant to this Regulation is 140 million ECU. It shall cover both the financial support to be granted for selected projects and expenditure relating to the implementation of the Regulation.

Article 11

Regulation (EEC) No 3056/73 is hereby repealed.

However, it shall continue to apply in respect of projects submitted in response to invitations to submit projects previously published pursuant to that Regulation.

Article 12

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

It shall apply until 31 December 1989.

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

Done at Brussels, 20 December 1985.

For the Council

The President

R. KRIEPS

COUNCIL REGULATION (EEC) No 3640/85**of 20 December 1985****on the promotion, by financial support, of demonstration projects and industrial pilot projects in the energy field**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas, pursuant to Article 2 of the EEC Treaty, the Community has as its task to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion and an increase in stability;

Whereas the more rational use of energy, by energy saving and the exploitation of alternatives to hydrocarbons, should make an effective contribution towards the attainment of these objectives;

Whereas, in its resolution of 9 June 1980 concerning Community energy policy objectives for 1990 and convergence of the policies of the Member States ⁽⁴⁾, the Council affirmed the need to step up efforts to save energy and reduce the Community's oil consumption and imports;

Whereas in its resolution of 25 July 1983 ⁽⁵⁾ the Council approved the concept of a scientific and technical strategy for Europe, and, in particular, approved the objectives for Community research, development and demonstration activities as laid down in the framework programme 1984 to 1987;

Whereas, in its resolution of 15 January 1985 on the improvement of the Member States' energy-saving programmes ⁽⁶⁾, the Council took note of the Commission's intention to pursue its action in favour of the rational use of energy;

Whereas the development of an energy strategy for the Community calls for an adequate level of investment in alternatives to oil as an energy source and in the more

rational use of energy, together with the continuation of research, development and demonstration policies at Community level, and whereas the development of an energy strategy for the Community confirms the role to be played by coal and the other solid fuels in this strategy;

Whereas, despite the present energy situation, there must be no slackening of efforts to save energy and diversify the Community's energy supplies, and whereas the conversion of solid fuels into gaseous and liquid products represents an alternative energy source which, after it has been developed to the industrial stage, could improve energy supply conditions, in the Community by contributing towards diversification and could reduce the Community's dependence on imported hydrocarbons;

Whereas support for innovatory demonstration projects aimed at improving the efficiency with which energy is used and making use of alternatives to hydrocarbons as energy sources is still an important means of contributing to the attainment of the abovementioned objectives;

Whereas the Community and the Member States have adopted research, development and demonstration programmes in the fields of energy saving, renewable energy sources and solid fuels; whereas a Community programme of support for demonstration projects in these fields must contribute to the wide dissemination of the results of these programmes;

Whereas the demonstration stage is the link between the earlier research and development stage, sometimes tested on pilot plant, and the later investment stage; whereas the demonstration stage and the pilot stage differ from the research and development stage in the industrial scale of projects and the requirement that there be prospects of economic viability, and from the investment stage in that the inherent risks are still too high for entrepreneurs;

Whereas financial support should be granted, after the research and development stage, for suitable demonstration projects for the exploitation of alternative energy sources and for energy saving and the substitution of hydrocarbons, in view of the considerable risks and investment which the application of innovatory techniques might entail;

Whereas financial support should also be granted, after the research and development stage, for suitable demonstration and industrial pilot projects relating to the liquefaction and gasification of solid fuels which, as a result of their size and the time required to develop them, including a period of long duration needed in order to acquire

⁽¹⁾ OJ No C 109, 3. 5. 1985, p. 3.

⁽²⁾ Opinion delivered on 13 September 1985 (not yet published in the Official Journal).

⁽³⁾ OJ No C 218, 29. 8. 1985, p. 5.

⁽⁴⁾ OJ No C 149, 18. 6. 1980, p. 1.

⁽⁵⁾ OJ No C 208, 4. 8. 1983, p. 1.

⁽⁶⁾ OJ No C 20, 22. 1. 1985, p. 1.

experience with large-scale installations, are particularly expensive and entail considerable risks due to the new technologies involved;

Whereas support for the projects referred to in this Regulation will help to strengthen confidence in their execution and will encourage replication of the techniques supported within the Community;

Whereas the execution of these projects could result in the development in the Community of industries possessing the relevant skills with potential markets of some importance outside the Community;

Whereas the granting by the Community of the support envisaged must not adversely affect the conditions of competition in a manner incompatible with the principles embodied in the relevant provisions of the Treaty;

Whereas those benefiting should undertake obligations towards the Community in return for the support they are to be granted;

Whereas it is important that the efforts already made to support technological development in the fields of the exploitation of alternative energy sources, energy saving and the substitution of hydrocarbons and industrial pilot projects and demonstration projects relating to the liquefaction and gasification of solid fuels should be continued for a further period as back-up for the Community's energy strategy;

Whereas the Community has already undertaken a Community demonstration programme in the fields of energy saving, alternative energy sources, substitution of hydrocarbons and the liquefaction and gasification of solid fuels pursuant to Regulations (EEC) No 1302/78 ⁽¹⁾, (EEG) No 1303/78 ⁽²⁾, (EEC) No 1971/83 ⁽³⁾ and (EEC) No 1972/83 ⁽⁴⁾; whereas Regulations (EEC) No 1971/83 and (EEC) No 1972/83, as amended respectively by Regulations (EEC) No 2125/84 ⁽⁵⁾ and (EEC) No 2126/84 ⁽⁶⁾, are applicable until 31 December 1985;

Whereas the Commission has evaluated this programme in reports which it has submitted to the Council and the European Parliament on the application of those Regulations; whereas this evaluation should be continued and adapted, taking account of the experience gained;

Whereas a Regulation on the granting of financial support for demonstration projects relating to the exploitation of alternative energy sources, energy saving and the substitution of hydrocarbons, and on the granting

of financial support for pilot industrial projects and demonstration projects relating both to the liquefaction and gasification of solid fuels is necessary and urgent to avoid an interruption in the programmes which, in a multiannual context, form a mainstay of the energy strategy of the Community, and whereas these fields will henceforth be covered by a single Regulation;

Whereas the Treaty does not provide the powers necessary for this purpose, other than those of Article 235,

HAS ADOPTED THIS REGULATION:

Article 1

Under the conditions laid down in this Regulation, the Community may grant financial support for projects relating to the fields defined in Article 2.

Article 2

1. For the purposes of this Regulation 'demonstration projects' means:

- in the context of the exploitation of alternative energy sources, projects to exploit any potential source of energy, with the exception of nuclear energy,
- in the context of energy saving, projects which, by comparison with already commercially available technology, lead to substantial energy savings,
- in the context of the substitution of hydrocarbons, projects exploiting energy processes which replace hydrocarbon-based processes,
- in the context of the liquefaction and gasification of solid fuels, projects for converting solid fuels into gases and liquids which are likely to improve the Community's energy supply situation in respect of imports of hydrocarbons.

2. For the purposes of this Regulation, in the context of the liquefaction and gasification of solid fuels, 'industrial pilot projects' refers to installations having adequate capacity and using components which are large enough to increase the reliability of the economic and technical data needed to progress from the research and development stage to the demonstration stage and, in certain cases, directly to the industrial and commercial stages.

3. A list of the fields of application of this Regulation is given in Annex I as regards exploitation of alternative energy sources, in Annex II as regards energy saving, in Annex III as regards the substitution of hydrocarbons and in Annex IV as regards the liquefaction and gasification of solid fuels.

⁽¹⁾ OJ No L 158, 16. 6. 1978, p. 3.

⁽²⁾ OJ No L 158, 16. 6. 1978, p. 6.

⁽³⁾ OJ No L 195, 19. 7. 1983, p. 1.

⁽⁴⁾ OJ No L 195, 19. 7. 1983, p. 6.

⁽⁵⁾ OJ No L 196, 26. 7. 1984, p. 3.

⁽⁶⁾ OJ No L 196, 26. 7. 1984, p. 4.

Article 3

1. All projects within the meaning of Articles 1 and 2 must satisfy the following conditions :

- they must relate to the creation of full-size installations enabling alternative energy sources to be exploited, energy to be saved or hydrocarbons to be substituted in significant quantities, or solid fuels to be converted into hydrocarbons in liquid or gas form ; in the latter area, projects may relate to pilot industrial installations,
- they must exploit innovatory techniques, processes or products or a new application of techniques, processes or products which are already known,
- they must be based on completed research and development work,
- they must, at the demonstration stage, offer promising prospects of industrial, economic and commercial viability and in the longer term offer similar prospects for pilot projects,
- they must be such as to encourage and promote the commercial development of the technique, process or product, and they must envisage actions and means for replicating the same type of project,
- in reference to the abovementioned techniques, processes or products, they must be submitted by the following persons or undertakings :
 - producers,
 - users, provided that such users enter into a partnership with appropriate producers. Users for whom partnership with producers is not appropriate may apply alone, provided that clear indications are given in the proposal how they intend to stimulate replication if the project is successfully demonstrated,
- they must present difficulties with regard to finance because of the considerable technical and economic risks involved to the extent that the project would very probably not be carried out without national and/or Community public financial support, and must be accompanied by a finance plan,
- they should, in principle, be carried out within the territory of the Community. However, in so far as the execution (complete or partial) of a project in a third country, for example in a developing country, is in the Community's interest, particularly on account of its special characteristics, financial support may exceptionally be granted to such a project.

2. Subject to the conditions set out in paragraph 1, account shall also be taken of the following characteristics of projects when they are assessed :

- that they are the subject of cooperation between persons or undertakings from at least two Member States,
- that they offer particularly appropriate solutions with regard to protection of the environment.

Article 4

1. Financial support may be granted for a project as a whole or for the various stages of a project. Exceptionally and in duly justified cases where are no known feasibility studies available for similar projects, the feasibility study phase may, after the Advisory Committee referred to in Article 5 (3) has been consulted, also receive financial support.

2. Support shall not exceed 40 % of the eligible cost of the project. The level of support shall be determined for each project individually, in accordance with the procedure laid down in Article 5. In determining the level of support the Commission shall take account of other aid received or expected, so that the sum total of Community support and national support does not as a general rule exceed 49 % of the total cost of the project, and of the share of the risk which should be borne directly by those responsible for the project.

Article 5

1. Projects shall be submitted by persons or undertakings or groups thereof within the Community following an invitation to submit projects published in the *Official Journal of the European Communities* in accordance with this Regulation.

Projects may also be prepared and submitted on behalf of small and medium-sized undertakings by bodies in the Member States involved in the promotion of technological innovation. The proposals and contracts concluded will be signed by the undertakings carrying out the projects.

2. The Commission shall insert into the invitations to submit projects an indication of areas which shall be regarded as having priority for project selection ; the list of priorities shall be drawn up by the Commission after consulting the Advisory Committee provided for in paragraph 4.

3. On the basis of the information provided by applicants in response to the invitation referred to in paragraph 1, projects shall be assessed in the light of Article 3.

The Commission shall first identify projects which, in its view, do not satisfy the conditions laid down in Article 3 (1). It shall inform the representatives of the Member States within the Advisory Committee provided for in paragraph 4 of the outcome of its assessment. Projects which, in its view, do not satisfy the required conditions will be considered by the Advisory Committee only if a Member State so requests.

The Commission shall examine the content of the projects in relation to other Community programmes and shall avoid all duplication.

4. The Commission shall decide whether to grant support for projects after consulting the Advisory Committee on the Management of Demonstration Projects and Industrial Pilot Projects and on the basis of the opinions delivered by that Committee.

The Committee shall be made up of two representatives from each Member State and chaired by a representative of the Commission. It shall draw up its rules of procedure; the Committee's responsibilities are defined in Annex V.

The Commission's decision shall be communicated forthwith to the Council and the Member States and to the European Parliament. It shall apply upon expiry of a period of 15 working days from receipt of such communication if, during that period, no Member State has referred the matter to the Council.

Where the matter is referred to the Council, the latter shall act on the Commission's decision by a qualified majority in accordance with the terms of Article 148 (2) of the Treaty within 30 working days.

Article 6

1. The contractor responsible for the execution of a project in receipt of support from the Community shall undertake to exploit, or facilitate exploitation of the successfully demonstrated technique, process or product and to permit dissemination of the results. Should the contractor fail to comply with this undertaking, the Commission may require that all or part of the financial support granted be recovered.

2. The Commission, in collaboration with the relevant bodies in the Member States, shall ensure the dissemination and application of the projects undertaken pursuant to this Regulation and Regulations (EEC) No 1302/78, (EEC) No 1303/78, (EEC) No 1971/83 and (EEC) No 1972/83 and encourage exploitation of them. It shall take appropriate measures to achieve that objective including giving appropriate assistance to the contractor.

Article 7

1. The Commission shall negotiate and conclude the contracts necessary for the execution of projects selected

in accordance with Article 5. To that end, it shall draw up a model contract, available on request, setting forth the rights and obligations of each party and the procedures for access to and dissemination of information.

2. The person or persons responsible for executing a project in receipt of Community support shall send the Commission, at least once a year or at its request, a report on the fulfilment of contractual obligations towards the Commission and, in particular, on the progress of work on the project and the expenditure incurred in carrying it out.

3. The Commission shall have access at all times to the accounts relating to the project. It may have checks carried out on the spot and on the basis of documents enabling it to follow the performance of the contract and, in particular, the progress made on projects and the execution thereof.

4. Where the extent of Community financial support and the size of the project so warrant, the Commission may participate as an observer in meetings of the bodies responsible for the management of projects if, in agreement with the promotor, such participation is provided for in the contract and ensure, by appropriate means, that a technical assessment of the work in progress or of completed work is carried out.

Article 8

All projects shall be the responsibility of a natural person or a legal person constituted in accordance with the laws of the Member States.

If the creation of a legal entity with the legal capacity to carry out a project involves additional costs for the participating undertakings, the project may be carried out simply on the basis of cooperation between natural or legal persons. In that case, such persons shall be jointly and severally liable for the obligations resulting from Community support.

Article 9

The support granted by the Community must not affect the conditions of competition in a manner incompatible with the relevant provisions of the Treaty.

Article 10

A periodic report shall be made by the Commission to the Council and the European Parliament on the application of this Regulation and on consistency between national and Community measures, to enable a better assessment to be made of the results.

Article 11

The amounts to be granted under this Regulation shall be entered each year in the general budget of the European Communities.

The overall amount of appropriations estimated necessary for the period from 1 January 1986 to 31 December 1989 under this Regulation totals 360 million ECU, one part of which, in the order of 30 %, is for industrial pilot projects and demonstration projects relating to solid fuels. That amount shall cover the financial support to be granted for the projects selected and the expenditure relating to the implementation of this Regulation.

Article 12

Regulations (EEC) Nos 1971/83 and 1972/83 are hereby repealed.

However, they shall continue to apply in respect of projects submitted in accordance with invitations to submit projects published pursuant thereto.

Article 13

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

It shall apply until 31 December 1989.

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

Done at Brussels, 20 December 1985.

For the Council

The President

R. KRIEPS

ANNEX I

EXPLOITATION OF ALTERNATIVE ENERGY SOURCES

LIST OF FIELDS OF APPLICATION ELIGIBLE UNDER THIS REGULATION

The order of this list does not imply any priority.

1. Biomass and energy from waste

For the purposes of this Regulation 'demonstration projects relating to biomass and energy from waste' means projects which make it possible to derive energy directly or indirectly from any form of plant, animal, urban or industrial waste ⁽¹⁾, or projects which in justified cases use plants specially grown for energy purposes.

Projects in this sector must fall into one of the following two categories :

Category 1 :

Projects making an innovative direct use of plant, animal, urban or industrial ⁽¹⁾ waste, or of plants specially grown for energy purposes ;

Category 2 :

Projects demonstrating innovative techniques for converting biomass and waste into derived fuels or chemical or biochemical products, and projects involving an innovative use of such derived products.

2. Wind energy

For the purposes of this Regulation 'demonstration projects relating to wind energy' means projects involving the centralized generation of electricity for supplying grids and decentralized applications for direct supply to users.

Several identical wind energy plants cannot in general be supported within the framework of one project.

Apart from the innovative nature of the projects, account will be taken, when assessing them, of the technical solutions chosen with a view to :

- substantially reducing the investment costs,
- exploiting to the full the available wind resources.

In addition, special attention will be paid to environmental and institutional aspects (building authorization, connection to the grid, etc.).

Fields of application

- 2.1. Electricity generation ;
- 2.2. Other applications.

3. Geothermal energy

For the purposes of this Regulation 'demonstration projects relating to geothermal energy' means projects to exploit energy extracted in the form of heat from underground strata by means of drilling. Projects involving geothermal exploitation where the temperature of the geothermal water is below 30 °C are normally excluded. Projects to exploit geothermal reservoirs about which little is known and projects using new techniques or technologies for underground operations and surface equipment are regarded as having priority.

Fields of application

- 3.1. Space-heating in new or existing residential, public or industrial premises and production of domestic hot water ;
- 3.2. Heating of greenhouses and agricultural premises ; and in pisciculture and aquaculture ;
- 3.3. Use of heat for industrial operations, e.g. heating and preheating, drying, dehydration, concentration, heat treatment and other processes ;
- 3.4. Electricity generation.

⁽¹⁾ Excluding the types of waste covered in Annex III (solid fuels).

4. Hydro-electric power

For the purposes of this Regulation 'demonstration projects relating to hydro-electric power' means projects exploiting low-power (below 3 000 kW) and generally low-head, hydro-electric resources in order to generate electricity for either the public supply grid or direct users in industry or agriculture. Such projects must be particularly innovative, involving, for example :

(a) on the technological side :

- simplification and standardization for mass production,
- use of new materials (moulded materials, resins, etc.),
- improvement of turbine-speed regulation systems and/or alternator regulation systems ;

(b) on the operating side :

- application of control and management techniques (remote controls, telemetry, micro-processors, etc.),
- optimized exploitation of resources, e.g. through centralized management and multi-purpose projects (electricity generation, irrigation, etc.).

When proposals in this sector are assessed, account will also be taken of how the projects fit in with the environment and of institutional aspects linked to their implementation (project authorization and the generation and transmission of electricity, etc.).

5. Solar energy

For the purposes of this Regulation 'demonstration projects relating to solar energy' means projects in which solar energy is converted for thermal end-use by way of active or passive processes or technology or is converted by way of photovoltaic processes.

Special attention must be paid to the environmental aspects of the installation and arrangement of solar collectors and photovoltaic modules.

Combinations of different processes and storage devices may be envisaged for the same projects.

Fields of application

5.1. Thermal, active and passive :

Space heating, production of domestic hot water, air conditioning, and process heat for :

- 5.1.1. Buildings ;
- 5.1.2. Industry ;
- 5.1.3. Agriculture.

In the case of active solar energy, preference will be given to advanced solar collectors, e.g. evacuated tube collectors.

Solar-heated swimming pools are excluded. Where houses are for one-family occupation, the demonstration must be for groups of not less than five houses.

The production of domestic hot water is accepted only in combination with the heating and/or air conditioning of buildings.

5.2. Photovoltaics :

Electricity generation to supply :

- 5.2.1. Isolated applications, e.g. for houses, groups of houses, small villages, means of telecommunication, signalling devices, alarms ;
- 5.2.2. Water pumping, desalination and other suitable industrial applications.

ANNEX II**ENERGY SAVING****LIST OF FIELDS OF APPLICATION UNDER THIS REGULATION**

The order of this list does not imply any priority.

1. Buildings

- 1.1. Simple and economic technologies for upgrading the energy performance of existing buildings by demonstrating more efficient methods of heating/air conditioning for premises, production of domestic hot water, heat regulation, control and metering; techniques for improving the thermal characteristics of buildings (insulation, airtightness), techniques for recovering heat from extracted air;
- 1.2. Demonstration of new processes or products for new buildings with a heated volume of 2 000 cubic metres or more, taking into account problems concerning condensation, ventilation, thermal inertia, and fire and safety regulations.

2. Industry

- 2.1. Technologies designed to alter the manufacturing process significantly with a view to reducing substantially energy consumption per unit of production under acceptable economic conditions;
- 2.2. Projects using innovative technologies or new equipment with a view to:
 - reducing energy consumption by rationalizing an existing manufacturing process;
 - recycling residual heat, in particular by means of heat pumps;
- 2.3. Projects calling for proven techniques where the combination of several such techniques constitutes an innovation and/or a new application of one or more known technologies presents particular risks.

3. Energy industry

- 3.1. More efficient methods of producing heat and/or electricity for collective use; methods exploiting residual heat in district heating systems; demonstration of new district heating concepts; demonstration of very large heat pumps;
- 3.2. More efficient gas-distribution methods, e.g. by recovering expansion energy.

4. Transport

The projects in all transport sectors should enable appreciable energy savings to be achieved, and offer good prospects of replication, under acceptable economic conditions.

*ANNEX III***SUBSTITUTION OF HYDROCARBONS****LIST OF FIELDS OF APPLICATION ELIGIBLE UNDER THIS REGULATION**

The order of this list does not imply any priority.

For the purposes of this Regulation 'demonstration projects relating to the substitution of hydrocarbons' means projects which involve the use of non-renewable sources instead of liquid or gaseous hydrocarbons, without leading to a significant increase in primary energy consumption.

1. Solid fuels

The projects under this heading relate to new or improved technologies for the handling, transportation, combustion, treatment and storage of coal, lignite and peat and their waste products, taking into account environmental problems.

1.1. New processes for solid-fuel utilization :

- fluidized beds under pressure or at atmospheric pressure, including those used in small industrial installations,
- mixtures of solid fuels with liquids,
- processes integrated into the end-use cycle ;

1.2. Treatment, upgrading, disposal or use of gaseous, liquid and solid wastes produced during mining, handling and use of solid fuels.**2. Use of electric power**

The projects in this field relate to new techniques for using electric power generated mainly from energy sources other than hydrocarbons :

- 2.1. Demonstration, by manufacturers of industrial equipment, of new techniques using electrical energy for thermal, electrochemical and electromechanical applications ;
- 2.2. New types of accumulators ;
- 2.3. Demonstration of new methods of electricity demand management.

3. Heat transmission, distribution and storage

The projects in this field relate to the demonstration of new techniques for the transmission, distribution and storage of heat produced mainly from energy sources other than hydrocarbons.

- 3.1. Heat transmission over medium and long distances in industry and district heating systems ;
 - 3.2. More efficient and more economic heat-distribution techniques ;
 - 3.3. New heat-storage techniques (daily, weekly and seasonal accumulators) in industry and district heating systems ;
 - 3.4. Demonstration of new demand-management methods in district heating systems.
-

*ANNEX IV***LIQUEFACTION AND GASIFICATION OF SOLID FUELS****LIST OF FIELDS OF APPLICATION**

The order of this list does not imply any priority.

For the purposes of this Regulation 'industrial pilot projects' or 'demonstration projects' means projects for the gasification, the underground gasification and the liquefaction of solid fuels.

1. Gasification

- 1.1. Production of fuel gas intended in particular for industry, heat generation and power stations ;
- 1.2. Production of synthesis gas as a raw material for the chemical industry ;
- 1.3. Production of substitute natural gas (SNG) of a high calorific value, for use in the distribution system ;
- 1.4. Combined and/or integrated cycle electricity generation (gas/steam turbines) ;
- 1.5. Partial gasification of solid fuels (in particular in order to eliminate harmful fuel components).

2. Underground gasification

Projects in this area must be the subject of international cooperation, preferably in the context of projects supported by the Community ;

- 2.1. Underground gasification, new process under pressure ;
- 2.2. Underground gasification at great depth.

3. Liquefaction

Production of a series of liquid and chemical products by means of :

- 3.1. Selective synthesis processes to improve the range of liquid products ;
 - 3.2. Direct liquefaction processes (hydrogenation, extraction, dissolution, etc.) offering increased efficiency and better operating conditions ;
 - 3.3. New processes such as the hydropyrolysis of solid fuels.
-

*ANNEX V***TASKS OF THE ADVISORY COMMITTEE ON THE MANAGEMENT OF DEMONSTRATION PROJECTS AND INDUSTRIAL PILOT PROJECTS**

1. The Committee will meet in an advisory capacity to examine the projects for selection.

The Committee will :

- (a) assist the Commission in the selection of projects on the basis of an opinion being given on each project submitted ;
 - (b) collaborate with the Commission to help ensure consistency between Community demonstration projects and similar measures implemented nationally ;
 - (c) assist the Commission with a view to the periodic evaluation of Community demonstration programmes and provide the necessary information on similar measures implemented nationally ;
 - (d) cooperate with the Commission in helping to ensure an appropriate flow of information to those concerned with the demonstration programmes of both the Community and its Member States and the optimum dissemination of the results of these programmes.
2. Furthermore, the Committee will meet in an advisory capacity at least once a year to assist the Commission by given opinions :
 - (a) on the priorities and corresponding criteria to be determined for invitations to submit projects in the various energy demonstration sectors for the following year ;
 - (b) on measures to ensure the dissemination of information in order to achieve better consistency between Community and national demonstration programmes ;
 - (c) on the optimum dissemination of the results of these programmes ;
 - (d) on the periodic evaluation of Community and national programmes which has to be submitted approximately every two years to the Council and European Parliament.
-

COUNCIL REGULATION (EEC) No 3641/85

of 20 December 1985

amending Regulation (EEC) No 1787/84 on the European Regional Development Fund

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas Regulation (EEC) No 1787/84 ⁽⁴⁾ lays down the provisions governing the operations of the European Regional Development Fund (ERDF);

Whereas the Treaty of Accession of Spain and Portugal will enter into force on 1 January 1986, subject to the instruments of ratification being lodged before that date;

Whereas the conditions for the participation of the new Member States in the ERDF's resources with effect from 1 January 1986 should therefore be defined;

Whereas, as provided for in the Act of Accession of Spain and Portugal, the provisions of Regulation (EEC) No 1787/84 laying down the lower and upper limits of the range allocated to each Member State should be adjusted;

Whereas, in the interests of effective management of the ERDF's resources, the reference periods to which these limits apply should be harmonized;

Whereas the development of the Portuguese regions requires considerable financial support and whereas, on account of the insufficiency of the financial resources which Portugal is able to channel into investment, provision should be made during a transitional period for an increase in the rates of ERDF assistance for measures concerning Portugal,

HAS ADOPTED THIS REGULATION:

Article 1

Article 4 (3) of Regulation (EEC) No 1787/84 is hereby replaced by the following:

⁽¹⁾ OJ No C 181, 19. 7. 1985, p. 7.

⁽²⁾ Opinion delivered on 15 November 1985 (not yet published in the Official Journal).

⁽³⁾ OJ No C 333, 25. 11. 1985, p. 1.

⁽⁴⁾ OJ No L 169, 28. 6. 1984, p. 1.

'3. The ERDF's resources shall be used on the basis of ranges, the lower and upper limits of which are shown below:

(%)

Member State	Lower limit	Upper limit
Belgium	0,61	0,82
Denmark	0,34	0,46
Germany	2,55	3,40
Greece	8,36	10,64
Spain	17,97	23,93
France	7,48	9,96
Ireland	3,82	4,61
Italy	21,62	28,79
Luxembourg	0,04	0,06
Netherlands	0,68	0,91
Portugal	10,66	14,20
United Kingdom	14,50	19,31'

Article 2

For 1986 and 1987, as a transitional measure, the upper and lower limits shown for Spain and Portugal in Article 4 (3) of Regulation (EEC) No 1787/84, as amended by this Regulation, shall, by way of derogation from the first subparagraph of Article 4 (4) of Regulation (EEC) No 1787/84, apply for a period of two years.

Article 3

Until 31 December 1990, by way of derogation from Article 7 (4), Article 11 (6), Article 16 (1) and Article 20 (1) and (2) of Regulation (EEC) No 1787/84, the rates of the ERDF's contribution to the financing of projects or programmes in the Portuguese regions, may be increased by 20 points up to a maximum rate of 70 %.

Before this date, the Commission shall re-examine the situation and, if necessary, submit appropriate proposals to the Council.

Article 4

This Regulation shall enter into force on 1 January 1986.

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

Done at Brussels, 20 December 1985.

For the Council

The President

R. KRIEPS

COMMISSION OF THE EUROPEAN COMMUNITIES

**LIST OF AUTHORIZED CUSTOMS OFFICES FOR
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- (iii) iron-ore mines;
- (iv) iron and steel industry.

The annex to the report contains a statement of the definitions under which the survey was carried out, together with tables giving a complete analysis of the results of the survey, including tables of capital expenditure and production potential by region and by category of plant for all sectors and categories of coal and steel products falling within the ECSC Treaty.

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