ANNEX B

Weighting of the export coefficients referred to in Article 5 (1)

	1986	1987
CKD	0,6	0,5
CBU and vehicle bodies	0,5	0,45
Semi-finished components	0,4	0,35
Finished components:		
— Engines	0,8	0,7
— Gear boxes	0,8	0,7
— Other mechanical components	0,7	0,6
— Electrical components	0,6	0,5
— Other components	0,55	0,5

Protocol 24

on agricultural structures in Portugal

1. As from the date of accession, joint action shall be embarked upon in favour of Portugal, in accordance with the objectives of the common agricultural policy, comprising a specific development programme adapted to the special structural conditions of Portuguese agriculture. The programme, which shall extend over a total period of 10 years, shall have as its particular objectives the substantial improvement of production and marketing conditions together with an improvement in the structural situation of the Portuguese agricultural sector as a whole.

2. The Community shall implement this programme of action in favour of Portugal in a manner on a par with measures already in existence in the Community for its least favoured areas. This programme will be directed towards developing rural infrastructures, agricultural advisory services and the possibilities for vocational training and will contribute towards the reorientation of production, including irrigation, when this proves necessary, drainage and field improvement works.

Furthermore, the Community shall implement the programme in such a way as to meet specifically the needs and special situation of Portugal. The programme shall include, in particular, measures, still to be defined, intended to contribute efficiently to the cessation of activities. At all events, these measures may not be less favourable than those enjoyed by the Member States of the Community as at present constituted, and the conditions for eligibility for Community financing must be adapted to the specific features of the situation in Portugal.

3. The Community will contribute to the desirable objective of the development of agricultural structures in Portugal with a view to attaining objectives in the short, medium and long term as follows:

(a) short term: improving agricultural advisory services and existing farming conditions by better distribution of available resources, without this entailing a change in the size of holdings or large-scale rationalization measures; improving, moreover, processing and marketing plants as far as possible, bearing in mind the dominant features, or the features as envisaged, of agricultural production;

(b) medium term: developing a sound infrastructure and the irrigation of areas of dry cultivation, encouraging better use of land and laying down and developing efficient measures for agricultural advisory services, training for agriculture and agricultural research. In this context, the more long-term aspects of cattle improvement could also be considered, such as performance testing and progeny testing of male breeding animals;

(c) long term: this would consist essentially of promoting the reparcelling of holdings which have been split up and the enlargement of holdings which are not viable at the moment. At the same time an endeavour should be made to correct the imbalance in the age pyramid of the farming population by encouraging elderly farmers to retire and, where appropriate, by implementing measures aimed at making it easier for young people to join the profession under conditions which offer a guarantee as to the long-term viability of their holding.

4. The total estimated cost to be borne by the European Agricultural Guidance and Guarantee Fund, Guidance Section, for application of the specific programme covering in particular the desolate regions of Portugal, including those of the autonomous regions of the Azores and Madeira, shall be in the order of 700 million ECU for its 10 year application period, i.e. in the order of 70 million ECU each year.

5. The rate of Community financing of the expenditure eligible under the specific programme shall be fixed with account being taken of the rates which have been, are or will be applied to the least favoured regions of the Community for similar measures.

6. The Council, acting by qualified majority on a proposal from the Commission, shall adopt, under the conditions provided for in Article 258 of the Act of Accession, the procedures for the specific programme.

7. Before 1 January 1991, the Commission shall present the Council with an appraisal report on the execution of the specific programme.

Protocol 25

on the application to Portugal of production disciplines introduced under the common agricultural policy

1. The Community considers that, taking into account the current situation of Portuguese agriculture, an improvement in productivity will not fail to come about under the impulse of various factors including the application of Community structural provisions and the implementation of the specific programme for agricultural structures in Portugal referred to in Protocol 24.

2. The Community considers that, even if this increase in productivity occurs within the context of the rationalization of Portuguese agriculture under the influence of conversion actions or the cessation of activity, a certain increase in production will take place.

However, the Community shall encourage such a trend during the first stage since it is a necessary condition for maintaining competitive farming in Portugal within the framework of an enlarged Community.

On the other hand, from the introduction in Portugal, at the start of the second phase, of all the rules of the common agricultural policy, the Community disciplines shall be applied in Portugal under the same conditions as those reserved for the least favoured areas of the Community as at present constituted.

3. The situation described above must be slightly adjusted in the following sectors: wine, olive oil, processed fruit and vegetables from tomatoes and sugar beet.

In fact, in these sectors any development of production in Portugal risks aggravating the overall Community production situation. For that reason, the Community considers that the Portuguese Republic may not be exempted from the disciplinary rules adopted at Community level, to apply from the date of accession, whatever the form of transition used for the product in question.

However, the Community shall ensure these production discipline measures are defined so as to take account of the very specific agricultural situation of that Member State; to that end, the provisions of this Act of Accession shall provide that for those sectors a flexibility margin is included, from the beginning, in the application of Community rules relating to the production discipline.