

GOVERNMENT OF THE REPUBLIC OF LITHUANIA

**RESOLUTION NO. 617**

**ON THE LITHUANIAN AGENCY FOR THE REGULATION OF AGRICULTURAL  
AND FOOD PRODUCTS MARKET**

21 May 1998  
Vilnius

The Government of the Republic of Lithuania has resolved:

1. to establish a state enterprise *Lithuanian Agency for the Regulation of Agricultural and Food Products Market* (hereinafter referred to as the Agency), which shall act in accordance with the Law on State and Municipal Enterprises of the Republic of Lithuania. Power of executing functions of the founder of the Agency shall be vested in the Ministry of Agriculture.

2. to establish that:

2.1. the Agency shall perform the following main functions:

2.1.1 implement, pursuant to the procedure established by the Ministry of Agriculture, the Public Programme for the Regulation of Agricultural and Food Products Market and Export Promotion (buying up and marketing of surplus agricultural produce), provide support to enterprises which buy up agricultural produce;

2.1.2 administer state food products reserves vested in the Ministry of Agriculture;

The Agency shall also perform other functions provided for in its articles of association.

2.2. For the purpose of buying up surplus agricultural produce, the Agency shall conclude contracts of agency with processing (storage) enterprises, which shall oblige the said enterprises to buy up from agricultural producers pursuant to the procedure established by the Ministry of Agriculture agricultural products in the quota set in the contract of agency, to store the said quota of products, process and sell thereof.

The Agency shall carry out its activities with regard to the resources of the Rural Support Fund available for the implementation of public programmes. If there is a shortage of funds, the Agency may buy up and store larger amounts of agricultural produce only upon the adoption by the Government of the Republic of Lithuania a decision on the allocation of funds.

In implementing the Public Programme for the Regulation of Agricultural and Food Products Market and Export Promotion, the Agency shall use its own funds and loans extended by commercial banks to buy up surplus agricultural produce. The repayment of loans taken by

the Agency shall be guaranteed by the Agricultural Credit Guarantee Fund within the limits fixed by the Government of the Republic of Lithuania, or the Government of the Republic of Lithuania provided that the latter directly extends credit guarantees to the Agency;

2.3. in participating in the buying up of surplus agricultural produce, the Agency shall mediate the process to ensure that agricultural processing (storage) enterprises willing to buy up, process and market agricultural products and other foodstuffs in their own name would receive a guarantee from the Agricultural Credit Guarantee Fund for the special purpose loans extended by commercial banks;

2.4. where the Agency in implementing public programmes is selling agricultural products and other foodstuffs on the Lithuanian and (or) foreign markets at a loss, such losses resulting from the difference in prices, as well as other supplementary expenditure related to this type of activity shall be covered from the resources of the Rural Support Fund provided for these programmes, or other public funds earmarked by the decision of the Government of the Republic of Lithuania.

3. to invalidate by Resolution No. 720 of 16 June 1998 of the Government of the Republic of Lithuania.

4. to oblige the Ministry of Agriculture:

4.1. by 30 May 1998:

4.1.1. to draft and approve the Agency's articles of association and to register the Agency;

4.1.2. to work out and submit for approval to the Government of the Republic of Lithuania the Public Programme for the Regulation of Agricultural and Food Products Market and Export Promotion, as well as to submit a proposal for the allocation of funds from the Privatisation Fund for the formation of the authorised capital up to 5 million litas of the Agency;

4.2. to draw up and, on agreement with the Ministry of Finance, approve by 15 June 1998 a procedure for the covering of expenditure resulting from the sale of surplus agricultural products and other foodstuffs on the Lithuanian and (or) foreign markets;

4.3. to submit proposals agreed with the Ministry of Finance for the allocation of additional funds from the business promotion section of the Privatisation Fund, as well as to specify the procedure for the utilisation of resources of the Rural Support Fund.

Prime Minister

Gediminas Vagnorius

Minister of Agriculture

Edvardas Makelis