II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 22 May 1974

authorizing the Kingdom of Belgium, the French Republic and the Kingdom of the Netherlands to apply special intervention measures for common wheat

(Only the French and Dutch texts are authentic)

(74/322/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation No 120/67/EEC [1] of 13 June 1967 on the common organization of the market in cereals, as last amended by Regulation (EEC) No 1125/74 [2], and in particular Article 8, second paragraph thereof;

Having regard to Council Regulation No 174/67/EEC [3] of 27 June 1967 on special intervention measures for cereals, as last amended by Regulation (EEC) No 445/68 [4], and in particular Article 1 thereof;

Having regard to the communications from the Netherlands and Belgium which reached the Commission on 14 and 15 May 1974 respectively, stating the particularly difficult situation for holders of common wheat in these Member States and including requests for the application of special intervention measures;

Whereas the 1973/74 marketing year is characterized by the absence of an end-July carry-over payment for stocks of common wheat, which will lead to holders of this product running down their stocks; whereas the actual intervention stocks on 16 May 1974 were at a level of around 1 000 000 metric tons; whereas world market prices are currently falling; whereas this situation would not fail to lead to holders offering their stocks for intervention before the end of May in order to benefit from the last monthly increase in the intervention price before that fixed for the first month of the next marketing year is applied in June and July;

Whereas, this being so, measures appropriate to the circumstances described above should be taken so that the intervention agencies are not obliged to make substantial purchases of common wheat;

Whereas the situation described above obtains also on the common wheat market in France; whereas that Member State has moreover submitted an application requesting authorization to apply special intervention measures; whereas for the reasons set out elsewhere it was not considered desirable to authorize France to apply the measures proposed by it; whereas the measures set out below appear to be more appropriate in the present circumstances; whereas authorization to apply them should therefore be accorded also to the French intervention agency;

Whereas the pressure on the market should be reduced by removing from it for a fixed period a sufficient quantity of the product to attain that objective; whereas to this end contracts should be established between the holders and the relevant intervention agency and the detailed rules for this system should be laid down;

(1) OJ No 117, 19. 6. 1967, p. 2269/67.
(2) OJ No L 128, 10. 5. 1974, p. 12.
(3) OJ No 130, 28. 6. 1967, p. 2609/67.
(4) OJ No L 91, 12. 4. 1968, p. 3.

Whereas in order to attain the objectives referred to, the holders of common wheat should be given the opportunity to avoid the substantial loss which the application of the intervention price valid at the beginning of the next marketing year may lead them to fear; whereas they should equally be given an allowance for storage costs which they incur and which would have been automatically and wholly at the expense of the intervention agency if they had offered their stocks to it before 31 May;

Whereas in case of any disturbance on the Community market, the possibility should remain for the intervention agencies concerned to authorize the termination of storage for the quantities in question, under the procedure laid down in Article 26 of Regulation No 120/67/EEC;

Whereas the Management Committee for Cereals has not delivered an opinion within the time limit set by its Chairman,

HAS ADOPTED THIS DECISION:

Article 1

The following Member States are authorized to have their intervention agencies carry out special intervention operations for common wheat within the framework of the undermentioned provisions:

— France in respect of 350 000 metric tons,
— Netherlands in respect of 100 000 metric tons,
— Belgium in respect of 50 000 metric tons.

These operations shall involve the conclusion before 15 June 1974 of a contract, between the intervention agency and holders of common wheat, in terms of which:

(a) the holders shall undertake to keep in store from 1 June to 31 December 1974 a given quantity of common wheat;

(b) the intervention agency shall grant to the holders of that quantity, at the end of the period laid down in (a),

— a daily amount, intended to cover storage and credit costs, fixed contractually at 0·05 unit of account per metric ton with effect from 1 June 1974.

Article 2

Holders who wish to enter into such an undertaking must make a written application amounting to a firm undertaking to the intervention agency before 31 May 1974, indicating the quantity in question, which may not be less than 200 metric tons.

Should the total quantity in respect of which the holders wish to contract exceed the quantity given in the first paragraph of Article 1, the intervention agency shall allocate the quantity which will be contracted in proportion to the quantity offered by each holder.

The competent agency shall communicate to the holder, before 10 June 1974, the quantity which will be subject to the undertaking.

Any quantity offered and refused by the intervention agency following the proportional allocation may, until 30 June 1974, be offered for intervention at the intervention price valid on 31 May 1974.

Article 3

The operations referred to in Article 1 may only relate to common wheat from the 1973 crop which fulfils the conditions laid down for acceptability for intervention.

The intervention agency shall verify the existence of the claimants' stocks before signature of the contract and at the end of the period of storage.

Article 4

The Member States concerned may be authorized, according to the procedure laid down in Article 26 of Regulation No 120/67/EEC, to terminate the undertaking provided for in Article 1 (a).

In this case the daily amount referred to in Article 1 (b) shall be granted up to the day fixed for termination of the undertaking at the end of the actual period of storage.

For the remainder of the period from that day until 31 December 1974, a forfeit at a rate of 0·016 unit of account per metric ton per day shall be paid.

Article 5

The Member States concerned shall keep the Commission informed as to the development of the operations provided for in this Decision.

Article 6

This Decision is addressed to the Kingdom of Belgium, the French Republic and to the Kingdom of the Netherlands.

Done at Brussels, 22 May 1974.

For the Commission

The President

François-Xavier ORTOLI