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REGULATION No 371/67/EEC OF THE COUNCIL

of 25 July 1967

fixing production refunds on starches and quellmehl

THE COUNCIL 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 organisation of the market in cereals, and in particular Article 11 (3) thereof;

Having regard to Council Regulation No 359/67/EEC[2] of 25 July 1967 on the common organisation of the market in rice, and in particular Article 9 (2) thereof;

Having regard to the proposal from the Commission;

Whereas, because of the special situation on the market in starches and, in particular, the need for that industry to keep starch prices competitive with those for substitute products, Regulations Nos 120/67/EEC and 359/67/EEC have provided for the granting of a production refund in order that the basic products required for use by that industry may be made available at a lower price than that which would result from the application of the system of levies and common prices;

Whereas a precise assessment of the situation resulting from the level of common prices and from the competition between on the one hand maize starch, rice starch and potato starch and on the other hand the substitute chemical products indicates that the refund should be fixed at such an amount that the price of maize used in starch manufacture is brought down to 6·80 units of account per 100 kilogrammes whereas this price of 6·80 units of account for common wheat ensures a proper balance between the use of this product and the use of maize; whereas, in order to obtain the same balance in the use of rice, the refund for broken rice should be fixed at such an amount that the price of this product is brought down to 8·30 units of account per 100 kilogrammes; however, in the event of appreciable and persistent variations in world prices of maize and common wheat and in view of the current state of the world market in broken rice, the refunds should be limited, so long as world market prices remain high, in such a way as to deter imports at prices below the world market level and to prevent the financial burden of production refunds from becoming excessive;

Whereas, on account of the connection between the production prices of the raw materials used in the manufacture of cereal and potato starches and of the interchangeability of these two products, a balanced relationship should be maintained between the prices of these products; whereas the refund granted should therefore be the same in both cases; the refund paid to producers of potato starch should be such as to assure Community potato producers of a price allowing them a fair income, while the market conditions for cereals used in starch manufacture and the common market organisations governing them are sufficient to ensure that their price is in fact held at the level of the threshold price; provision should, therefore, be made to ensure that potato producers eventually benefit from the refund paid to producers of potato starch;

Whereas the above-mentioned measures ought not to disturb the markets in third countries; whereas, therefore, in case of an appreciable and persistent increase in prices on these markets provision should be made for compensatory measures, consisting of the charging of a levy on exported products with a view to reducing the advantages of Community manufacturers to an appropriate level;

Whereas the transition from the system of discretionary national refunds provided in Regulation No 142/64/EEC[3] to the system of obligatory Community refunds established by Regulations Nos 120/67/EEC and 359/67/EEC should be effected as smoothly as possible;

[1] OJ No 117, 19.6.1967, p. 2269/67.

[2] OJ No 174, 31.7.1967, p. 1.

[3] OJ No 169, 27.10.1964, p. 2673/64.

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 July 1967 Member States shall grant a production refund on maize and common wheat for the manufacture of starch and quellmehl equal to the difference per 100 kilogrammes between the threshold price of each of these products and 6·80 units of account.

The production refund on maize for the manufacture of starch shall be increased in Italy by 0·30 units of account per 100 kilogrammes of maize.

This increase shall not, however, apply if recourse is had to the provisions of Article 23 (2) of Regulation No 120/67/EEC.

2. From 1 July 1967 Member States shall grant a production refund per 100 kilogrammes of potato starch, calculated at a flat rate in accordance with the provisions of Articles 3 and 5, which shall be equal to the average amount of the refund granted during the same marketing year per 161 kilogrammes of maize for starch manufacture.

3. From 1 September 1967 Member States shall grant a production refund on broken rice for the manufacture of starch and quellmehl equal to the difference per 100 kilogrammes between the threshold price for broken rice and 8·30 units of account.

If the c.i.f. price is higher than 8·30 units of account, the production refund to be granted shall be equal to the difference between the threshold price and the c.i.f. price for broken rice.

Article 2

1. If prices of the basic products mentioned in Article 1 show appreciable and persistent variations on the world market in relation to the amounts specified in that Article of 6·80 units of account for maize and common wheat and 8·30 units of account for broken rice, these amounts may be altered by the Council, acting in accordance with the voting procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission.

2. If world market prices for the basic products appreciably and persistently exceed the amounts which have been fixed, an export levy to offset the difference between prices within the Community and on the world market may be introduced in accordance with the procedure provided in Article 26 of Regulation No 120/67/EEC and in Article 26 of Regulation No 359/67/EEC.

Article 3

1. The price to be paid to the producer at the delivered-to-factory stage for the quantity of potatoes required to manufacture 100 kilogrammes of potato starch shall be equal to the amount of the production refund mentioned in Article 1 (2), increased by an amount not less than 8·18 units of account.

2. The production refund shall be calculated on the basis of the quantity of potatoes delivered to starch manufacturers, account being taken of the starch content of the potatoes at the time of delivery.

It shall be paid in full to the starch manufacturer if he furnishes proof:

— of the quantity of potatoes delivered to him and their starch content at the time of delivery;

— of payment to the producer of an amount not less than the price fixed in paragraph 1, account being taken of the starch content of the potatoes.

Where the price paid to the producer is less than the minimum referred to in the second indent of the preceding paragraph, the refund paid to the starch manufacturer shall be reduced by the difference in question.

Article 4

Member States shall inform the Commission not later than four months after the end of the marketing year of the quantity of products for which production refunds have been paid.

Article 5

Detailed rules for the application of this Regulation shall be adopted in accordance with the procedure laid down in Article 26 of Regulation No 120/67/EEC and Article 26 of Regulation No 359/67/EEC, in particular as regards:

(a) the calculation, in accordance with a scale drawn up in terms of the starch content of the product, of the quantity of potatoes required to manufacture 100 kilogrammes of starch;

(b) the conditions under which potatoes are accepted and paid for and the conditions under which the proof mentioned in Article 3 (2) must be furnished.

Article 6

This Regulation shall enter into force on 1 August 1967.

The provisions in respect of broken rice, however, shall apply from 1 September 1967.

Regulation No 178/67/EEC[1] is hereby repealed with effect from 1 August 1967.

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

Done at Brussels, 25 July 1967

For the Council

The President

H. HOECHERL

[1] OJ No 130, 28.6.1967, p. 2617/67.