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REGULATION (EEC) No 989/68 OF THE COUNCIL

of 15 July 1968

laying down general rules for granting private storage aid for beef and veal

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) No 805/68[1] of 27 June 1968 on the common organisation of the market in beef and veal, and in particular Articles 8 (1) and 14 (3) thereof;

Having regard to the proposal from the Commission;

Whereas Regulation (EEC) No 805/68 makes provision for intervention for beef and veal in the form of private storage aid;

Whereas the functioning of such a system of aid can be facilitated through the conclusion of contracts with intervention agencies;

Whereas, in order to achieve the purposes of the aid as defined in Regulation (EEC) No 805/68, its amount should be fixed with reference to the costs of storage; whereas, to that end, two methods should be provided for fixing that amount; whereas in both cases the granting of aid should be so effected as not to discriminate between applicants established in the Community;

Whereas the entitlement arising from the application of the provisions of Article 14 (3) (b) (aa) of Regulation (EEC) No 805/68 should be confined to contracts for aid whose amount has taken account of that entitlement; whereas in such a case, the reduction in the amount of the aid may be offset by the advantage of importing with total suspension of the levy;

Whereas there should be suitable provision for cases where the market situation in the products in question necessitates the alteration of the terms of future contracts or of the period of storage specified in existing contracts;

HAS ADOPTED THIS REGULATION:

Article 1

1. Private storage, within the meaning of Article 5 of Regulation (EEC) No 805/68, is the holding in a storage depot at their own risk and expense by natural or legal persons established in the Community, other than the intervention agencies referred to in that Article, of products covered by the market in beef and veal and listed in that Article.

2. Private storage aid may only be granted in respect of products derived from bovine animals originating in the Community, which are stored as one of the cuts listed in Section (c) of the Annex to Regulation (EEC) No 805/68 under conditions to be determined.

3. Aid shall be granted in accordance with the terms of contracts concluded with intervention agencies; such contracts shall express the reciprocal obligations of the contracting parties in standard terms for each product.

Article 2

Unless specially authorised, a request for private storage aid may only be made in the country where the product is to be stored.

Article 3

If the market situation so requires, the period of storage specified in the contract may be curtailed or extended under conditions to be determined.

Article 4

1. The amount of aid shall be either:

— determined by means of an invitation to tender published in the *Official Journal of the European Communities;* or

— fixed in advance; in this case the entitlement under Article 14 (3) (b) (aa) of Regulation (EEC) No 805/68 may be substituted wholly or partially for the aid.

2. Equal treatment shall be given to applicants as to the admissibility of their offer, irrespective of the place of their establishment within the Community.

[1] OJ No L 148, 28.6.1968, p. 24.

Only applicants who have given security for fulfilment of their contract obligations by lodging a deposit, which shall be forfeited in whole or in part if these are not fulfilled or are only partially fulfilled, shall be permitted to tender and to conclude such contracts.

The time limit for entry of products into store and the duration of storage shall be specified.

The amount of the aid may not normally exceed the amount of the costs which would be incurred if storage were effected by an intervention agency.

Article 5

1. In the selection of tenders preference shall be given to those which are most favourable to the Community.

2. In any case the award of a contract shall not necessarily ensue.

Article 6

Where the amount of aid is fixed in advance:

(a) there shall be a single rate for each product taking into account storage costs, normal depreciation of quality, the entitlement under Article 14 (3) (b) (aa) of Regulation (EEC) No 805/68, if appropriate, and, so far as possible, any foreseeable increase in the price of the product in question;

(b) requests for aid shall be granted under conditions to be determined, in particular as regards the time that may elapse between the submission of the request and the conclusion of the contract;

(c) the conclusion of storage contracts may be suspended or the terms of future contracts may be resived, if a summary review of the market situation, of the quantities covered by contracts and of applications for contracts shows either of these measures to be necessary.

Article 7

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

It shall be applicable from 29 July 1968.

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

Done at Brussels, 15 July 1968.

For the Council

The President

G. SEDATI