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REGULATION (EEC) No 1056/71 OF THE COUNCIL

of 25 May 1971

amending Regulation No 359/67/EEC on the common organisation of the market in rice

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament[1];

Whereas in accordance with Article 4 (3) of Council Regulation No 359/67/EEC[2] of 27 July 1967 on the common organisation of the market in rice, as last amended by Regulation (EEC) No 2434/70,[3] intervention prices for paddy rice at Arles and Vercelli are derived from the target price for husked rice at Duisburg, in the light of the costs of transport between these centres, by converting the price for husked rice into a price for paddy rice and by reducing the result thus obtained by 4%;

Whereas experience has shown that the development of the market and the adjustment of prices have been impeded by the existence of a narrow fixed margin, so that it has been difficult to adapt supply to demand; whereas the fixed margin for fixing intervention prices for paddy rice in the Arles and Vercelli production zones should therefore not be maintained but these prices should be fixed in such a way that the differences between them and the theoretical target prices for paddy rice in the same zones reflect the disparities which, given a normal harvest, arise under natural conditions of price formation on the market and allow the free movement of rice within the Community in accordance with the requirements of the market;

HAS ADOPTED THIS REGULATION:

Article 1

The following shall be substituted for the first and second subparagraphs of Article 4 (3) of Regulation No 359/67/EEC:

'Intervention prices shall be fixed for Arles and Vercelli as follows:

— by calculating the derived target price for Arles and Vercelli, respectively;

— by converting that price into a price for paddy rice on the basis of the conversion rates, processing costs and the value of the by-products.

The calculation mentioned above shall be made in such a way that the differences between the intervention prices as also between them and the target price correspond to the price disparities to be expected in the case of a normal harvest on the basis of natural conditions of price formation on the market and allow the free movement of rice within the Community in accordance with the requirements of the market.'

Article 2

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

It shall apply from 1 September 1971.

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[1] OJ No C 30, 31.3.1971, p. 5.
[2] OJ No 174, 31.7.1967, p. 1.
[3] OJ No L 262, 3.12.1970, p. 1.

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

Done at Brussels, 25 May 1971.

For the Council

The President

M. COINTAT