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REGULATION (EEC) No 1553/71 OF THE COUNCIL

of 19 July 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;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas experience since the entry into force of the common organisation of the market in rice and new facts which have come to light during the first four years of its application have shown that certain adaptations must be made to the system provided for in respect of that product;

Whereas corrective amounts, depending on the quality of the rice, are provided for in respect of paddy rice at intervention; whereas under normal market circumstances quality rice can be disposed of easily at prices whose differences reflect the differences in quality; whereas any measures stating what these price differences should be at the intervention stage are likely to distort the free play of supply and demand on the market; whereas, in order to promote the normal disposal of quality rice on the market, provision should be made for the non-application of the corrective amounts to certain rice varieties at intervention;

Whereas the rate of the carry-over payment granted for paddy rice at the end of the crop year was calculated on the basis of the target price for husked rice in force in the last month of the marketing year and that in force in the first month of the following year; whereas the target price for husked rice is based on factors certain of which are not relevant to price formation for paddy rice; whereas the carry-over payment should therefore be calculated on the basis of the difference between the intervention prices at the end and at the beginning of the marketing year;

Whereas, to reflect more closely the differences between the markets in round-grained rice and long-grained rice, the levies on these varieties should be calculated on offers recorded for them;

Whereas the threshold price for broken rice was fixed within an upper limit constituted by the threshold price for husked rice and a lower limit constituted by the threshold price for maize;

Whereas within the framework of the Wheat Trade Convention of 1971 and the Food Aid Convention of 1971 it was provided that food aid may be given in the form of rice; whereas it should therefore be provided that rice and products processed from rice may be made available to a food aid programme; whereas these products may be bought on the Community market, obtained from intervention rice stocks or manufactured from rice;

Whereas, since food aid must be supplied urgently, it should be provided that measures on food aid in the form of rice shall be applicable without delay before the beginning of the 1971/72 rice year;

Whereas the definitions of rice products should be revised in order to bring them as far as possible into line with those used in world trade, taking into account the characteristics of Community rice;

HAS ADOPTED THIS REGULATION:

Article 1

Council Regulation No 359/67/EEC[1] of 25 July 1967 on the common organisation of the market in rice shall be amended as follows.

Article 2

The following shall be substituted for Article 1 (2):

'For the purposes of this Regulation, paddy rice, husked rice, semi-milled rice, milled rice,

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

round-grained rice, long-grained rice, broken rice and quellmehl are the products defined in Annex A.'

Article 3

The following shall be substituted for the second indent of Article 5 (5):

'— the corrective amounts applicable to intervention whether for all or for some of the varieties mentioned in the first indent of the second subparagraph of Article 5 (2).'

Article 4

The following shall be substituted for Article 8 (2) (b):

'(b) for paddy rice, the difference between the intervention price valid for the last month of the marketing year and that valid for the first month of the next marketing year.'

Article 5

The following shall be substituted for Article 11:

'1. A levy shall be charged on imports of rice, equal:

(a) for round-grained paddy rice, to the levy applicable to round-grained husked rice, adjusted by the conversion rate;

(b) for long-grained paddy rice, to the levy applicable to long grained husked rice, adjusted by the conversion rate;

(c) for round-grained husked rice, to the threshold price less the c.i.f. price for round-grained rice;

(d) for long-grained husked rice, to the threshold price less the c.i.f. price for long-grained rice;

(e) for round-grained semi-milled rice, to the levy applicable to round-grained milled rice, adjusted by the conversion rate;

(f) for long-grained semi-milled rice, to the levy applicable to long-grained milled rice, adjusted by the conversion rate;

(g) for round-grained milled rice, to the threshold price less the c.i.f. price for round-grained rice;

(h) for long-grained milled rice, to the threshold price less the c.i.f. price for long-grained rice;

(i) for broken rice, to the threshold price less the c.i.f. price.

2. The Commission shall fix the levies provided for in this Article.'

Article 6

The following shall be substituted for Article 14:

'1. There shall be fixed for the Community each year, before 1 May, for the following marketing year;

— a threshold price for round-grained husked rice;

— a threshold price for long-grained husked rice;

— a threshold price for round-grained milled rice;

— a threshold price for long-grained milled rice;

2. (a) The threshold price for round-grained husked rice shall be fixed in such a way that on the Duisburg market the selling price for the imported product corresponds to the target price, after allowance for differences in quality. That threshold price shall be subject to the monthly increases determined for the target price in accordance with the provisions of Article 7.

It shall be calculated for Rotterdam for the same standard quality as the target price for husked rice;

(b) The threshold price for long-grained husked rice shall be calculated by adjusting the threshold price for round-grained husked rice by a corrective amount representing the differences in value between the variety of round-grained rice corresponding to a standard quality and a variety of rice representative of Community production.

3. The threshold price for round-grained milled rice and the threshold price for long-grained milled rice shall be derived from the threshold prices for round-grained husked rice and long-grained husked rice respectively by making adjustments for the conversion rate, for processing costs and for the value of by-products and then by adding an amount for the protection of the industry.

It shall be calculated for Rotterdam for the same standard qualitites as the respective threshold prices for husked rice.

4. The Council, acting in accordance with the procedure laid down in Article 43 (2) of the

Treaty on a proposal from the Commission, shall fix the threshold price for round-grained husked rice and the protective amount mentioned in paragraph 3.

5. The following shall be determined in accordance with the procedure laid down in Article 26:

(a) the variety of long grained rice representative of Community production and the difference in value, for 100 kg of husked rice, between this variety and the variety of round-grained rice corresponding to standard quality;

(b) the threshold price for long-grained husked rice;

(c) the threshold price for round-grained milled rice;

(d) the threshold price for long-grained milled rice.'

Article 7

The following shall be substituted for Article 15:

'1. A threshold price for broken rice shall be fixed for the Community each year, before 1 May, for the following marketing year, at a level between 130% and 140% of the threshold price for maize valid for the first month of the marketing year.

2. The threshold price for broken rice shall be fixed for Rotterdam and for a standard quality.

3. The Council, acting in accordance with the procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission, shall fix the threshold price for broken rice and the standard quality for which it shall be fixed.'

Article 8

The following shall be substituted for Article 16:

'1. There shall be calculated for Rotterdam:

(a) a c.i.f. price for round-grained husked rice;

(b) a c.i.f. price for long-grained husked rice;

(c) a c.i.f. price for round-grained milled rice;

(d) a c.i.f. price for long-grained milled rice;

(e) a c.i.f. price for broken rice;

2. The c.i.f. prices shall be calculated for goods in bulk on the basis of the most favourable purchasing opportunities on the world market, for each of the types of rice listed in paragraph 1, taking into account the quotations or prices on that market adjusted for differences in quality compared with the standard quality and, for long-grained rice, adjusted for the difference in value between this quality and that representative of Community production and, if need be, for the conversion rate, for processing costs and for the value of by-products.

3. Differences in quality shall be expressed by means of a corrective amount representing the differences in quality and in value between the variety taken as the standard quality and other varieties.

4. Where free quotations on the world market are not a determining factor for the offer price and where the price is lower than those quotations, a special c.i.f. price calculated on the basis of the offer price shall be substituted, solely in respect of the imports in question, for the c.i.f. price.

5. Detailed rules for the application of this Article, in particular the corrective amounts, the method of calculating c.i.f. prices, and the margin within which variations in the factors used for calculating the levy do not entail any alteration of the levy, shall be adopted in accordance with the procedure laid down in Article 26.'

Article 9

The following shall be substituted for Article 19:

'The procedure laid down in Article 25 shall apply for determining:

(a) the conversion rates between:

— husked rice and paddy rice, to be used when applying Article 4 (3), Article 11 (1) (a) and (b) and Article 16 (2);

— husked rice and milled rice, to be used when applying Article 14 (3) and Article 16 (2);

— milled rice and semi-milled rice, to be used when applying Article 11 (1) (e) and (f) and Article 16 (2);

(b) the processing costs and the value of by-products to be used when applying Article 4 (3), Article 14 (3) and Article 16 (2).'

Article 10

The following Article shall be added to the Regulation:

'*Article 23a*

1. Rice and products processed from rice may be made available to food aid programmes where such programmes are provided for in international conventions or agreements.

The rice or products processed from rice to be made available to such programmes shall either be bought on the Community market or be obtained from stocks held by the intervention agencies.

2. The conditions in which products may be made available, and in particular in which they may be bought on the Community market or obtained from the stocks of the intervention agencies, shall be determined by the Council, acting in accordance with the procedure laid down in Article 43 (2) of the Treaty on a proposal from the Commission.

3. In exceptional circumstances rice may be bought on the world market. Detailed rules for the application of this paragraph shall be adopted in accordance with the procedure laid down in Article 26.'

Article 11

The following Article shall be added to the Regulation:

'*Article 31a*

Should transitional measures be necessary they shall be adopted in accordance with the procedure laid down in Article 26.'

Article 12

The following shall be substituted for Annex A:

'1. (a) *Paddy rice:* rice which has retained the husk after threshing;

(b) *Husked rice:* paddy rice from which only the husk has been removed. Examples of rice falling within this definition are those with the commercial descriptions "brown rice", "cargo rice", "loozain rice" and "riso sbramato";

(c) *semi-milled rice:* paddy rice from which the husk, part of the germ and the whole or part of the outer layers of the pericarp but not the inner layers have been removed;

(d) *milled rice:* paddy rice from which the husk, the whole of the outer and inner layers of the pericarp, the whole of the germ in the case of long or semi-long rice and at least part of the germ in the case of round rice have been removed, but in which longitudinal white striations may remain on not more than 10% of the grains;

2. (a) *Round-grained rice:* rice of which the grains have a length equal to or less than 5·2 millimetres and a ratio of length to width of less than 2;

(b) *Long-grained rice:* rice of which the grains have a length greater than 5·2 millimetres;

(c) *Measurement of the grains:* grain measurements are taken on milled rice by the following method:

(i) take a representative sample from the consignment;

(ii) sieve the sample so as to retain only whole grains;

(iii) carry out two measurements consisting of 100 grains each and find the average;

(iv) express the result in millimetres, rounded off to one decimal place.

3. *Broken rice:* grain fragments the length of which does not exceed three quarters of the average length of the whole grain.

4. *Quellmehl:* flour of which the starch has undergone heat treatment or other treatment thus increasing its swelling capacity.'

Article 13

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

It shall apply from 1 September 1971, save as regards Article 10, which shall apply from the date of entry into force of this Regulation.

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

Done at Brussels, 19 July 1971.

For the Council

The President

L. NATALI