# REGULATION (EEC) No 1406/73 OF THE COUNCIL

## of 25 May 1973

## fixing a carry-over payment for stocks of common wheat, rye of breadmaking quality and maize remaining at the end of the 1972/73 marketing year

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 organization of the market in cereals, as last amended by Regulation (EEC) No 1346/73 (2), and in particular Article 9 (1) and (5) thereof ;

Having regard to the proposal from the Commission ;

Whereas the carry-over payment provided for in Article 9 (1) of Regulation No 120/67/EEC is designed, in particular, to avoid large-scale transfers of cereals to intervention agencies when the monthly increases in intervention prices come to an end, when a large proportion of the stocks of cereals could be sold directly on the market before the new harvest ; whereas the position of stocks of common wheat throughout the Community and of stocks of rye of breadmaking quality in certain regions of the Community is such that the carry-over payment should be granted for such cereals ;

Whereas there is a risk of certain quantities of maize being offered to intervention agencies in particular regions despite the general shortage throughout the Community ; whereas it is therefore desirable that a carry-over payment also be fixed for that cereal ; whereas, since the marketing of a given harvest normally extends beyond the end of the marketing year, the grant of a carry-over payment would prevent substantial quantities, which in the normal way would still be held in stock at the end of the marketing year, from reaching the market only during the last few months of that year ;

Whereas the amount of the carry-over payment should be defined as the difference between the target prices fixed for the 1973/74 marketing year and those applicable for the last month of the present marketing year ;

Whereas the carry-over payment cannot be granted in respect of cereals harvested in the Community in 1973, since in this case no cost increases have been incurred as a result of storage ; whereas, since the carry-over payment is linked to the intervention system, that payment should be made only in respect of cereals of fair, sound and merchantable quality as defined by the rules adopted pursuant to Article 7 (5) of Regulation No 120/67/EEC ;

Whereas, when applied in the new Member States, the carry-over payment must be adjusted in relation to their price levels, which still differ from prices in the Community as originally constituted ; whereas, in order to make such adjustment, the basis for calculation of the payment should be, not the target price, but the target price reduced by the 'accession' compensatory amount applicable to each cereal and for each of the new Member States concerned ; whereas the carry-over payment must therefore be reduced in the new Member States by the difference between the 'accession' compensatory amount applicable for 1972/73 and that applicable for 1973/74 ; whereas, should this reduction give a negative figure, the Community carry-over payment should be reduced to zero when applied in the new Member States concerned ;

HAS ADOPTED THIS REGULATION :

*Article 1*

1. A carry-over payment shall be granted in respect of stocks of common wheat and rye of breadmaking quality remaining in the Community at the end of the 1972/73 marketing year.

The amount of this payment shall be 9·56 units of account per metric ton in respect of common wheat and 1·79 units of account per metric ton in respect of rye of breadmaking quality.

2. In the new Member States the payment in respect of common wheat and of rye of breadmaking quality shall be as follows :

| | *Common wheat* | *Rye of breadmaking quality* |
|---|---|---|
| Denmark | 7·98 | 1·79 |
| Ireland | 8·37 | — |
| United Kingdom | 3·35 | — |

(1) OJ No 117, 19. 6. 1967, p. 2269/67.
(2) OJ No L 141, 28. 5. 1972, p. 8.

*Article 2*

The amount of the carry-over payment to be granted in accordance with Article 9 (2) of Regulation No 120/67/EEC in respect of stocks of maize remaining in the surplus production areas at the end of the 1972/73 marketing year shall be 5·78 units of account per metric ton.

*Article 3*

The carry-over payments provided for in Articles 1 and 2 shall not be granted in respect of cereals of the 1973 harvest nor in respect of cereals which are not of the minimum quality required for intervention buying. Moreover, as regards rye of breadmaking quality which does not satisfy the conditions laid down for price increases in accordance with Article 7 (5) of Regulation No 120/67/EEC, the carry-over payment shall not be granted.

*Article 4*

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

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

Done at Brussels, 25 May 1973.

*For the Council*

*The President*

A. LAVENS