REGULATION (EEC) No 233/73 OF THE COUNCIL

of 31 January 1973

laying down the general rules for the system of compensatory amounts for milk and milk products

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to the Treaty [1] concerning the Accession of new Member States to the European Economic Community and the European Atomic Energy Community signed at Brussels on 22 January 1972, and in particular to Article 62 (1) of the Act annexed thereto [2];

Having regard to the proposal from the Commission;

Whereas Articles 51 and 52 of the Act provide that for the new Member States prices will be fixed at levels different from the common prices; whereas, pursuant to Article 55 of the Act, the differences in price levels are to be compensated by compensatory amounts;

Whereas pursuant to Article 85 of the Act, Articles 51 and 52 shall apply to the intervention prices for butter and skimmed-milk powder; whereas, however, pursuant to Article 1 (a) (2) of Council Regulation (EEC) No 647/72 [3] of 30 March 1972 fixing the target price for milk and the intervention prices for butter, skimmed-milk powder and Grana padano and Parmigiano Reggiano cheeses for the 1972/73 milk year as amended by Regulation (EEC) No 2715/72 [4], the common intervention price is to apply in all the new Member States to skimmed-milk powder from 1 February 1973; whereas, accordingly, it will not be necessary to fix a compensatory amount for skimmed-milk powder.

Whereas pursuant to Article 55 (2) of the Act, the compensatory amounts for butter applicable in trade between the Community as originally constituted and the new Member States, and between those States and third countries, shall be equal to the difference between the prices fixed for the new Member State concerned and the common prices;

Whereas, pursuant to Article 86 (1) of the Act, for pilot products other than butter, the compensatory amount applicable until the first move towards alignment shall be determined on the basis of the difference between the representative market price level of the new Member State concerned and the representative market price level of the Community as originally constituted over a period prior to 1 February 1973; whereas, however, if these provisions cannot be applied or if their application results in compensatory amounts leading to abnormal price relationships, the compensatory amount is to be calculated, pursuant to paragraph 3 of that Article on the basis of the compensatory amount applicable for butter; whereas, for the pilot products other than those in Groups 1 and 12, this condition is satisfied as regards trade with the United Kingdom;

Whereas, pursuant to Article 87 (1) of the Act, the compensatory amount applicable for one or more products falling within Common Customs Tariff heading No 04.01 shall be fixed on the basis of the difference between market prices if a system providing for a different valuation of milk according to its use existed in a new Member State before accession, and if the application of Article 86 of the Act leads to difficulties on the market; whereas these conditions are satisfied for milk and cream intended for direct consumption in the United Kingdom; whereas Article 87 (1) should be applied in those instances in order to avoid distortions of competition, this entails the fixing of the compensatory amounts applicable to other products falling within Common Customs Tariff heading No 04.01 pursuant to Article 87 (2) of the Act;

Whereas pursuant to Article 55 (4) of the Act no compensatory amount shall be fixed if the application of the aforementioned provisions results in a minimal amount;

Whereas, pursuant to Article 55 (3) of the Act the compensatory amounts applicable in trade between the new Member States shall be determined by direct reference to the compensatory amounts fixed for each of those States;

Whereas the purpose of compensatory amounts in trade within the Community is to allow the

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[1] OJ No L 73, 27. 3. 1972, p. 5.
[2] OJ No L 73, 27. 3. 1972, p. 14.
[3] OJ No L 79, 1. 4. 1972, p. 2.
[4] OJ No L 291, 28. 12. 1972, p. 17.

movement of goods to take place in satisfactory conditions between two Member States in which there are different price levels, a compensatory amount should be levied upon imports into a Member State which has a higher level of prices and, conversely, should be granted in respect of exports to a Member State where the level of prices is lower;

Whereas, Article 55 (1) (a) of the Act, under which the compensatory amounts shall be levied by the importing Member State or granted by the exporting Member State, implies that henceforth these amounts are to be levied or granted by the Member State in which the level of prices is higher;

Whereas, if in trade between a new Member State and third countries the compensatory amount must be deducted from the refund and if the refund is less than the compensatory amount or is not fixed, appropriate measures must be taken to avoid deflections of trade;

Whereas, in order to avoid deflections of trade in special milk for infants, in Emmental cheeses, processed cheeses, Glaris herb cheeses, Tilsit, Kashkaval and other sheep and buffalo cheeses, appropriate measures should be taken to ensure that such products, when imported from a third country, are not re-exported to another Member State with entitlement to the compensatory amount fixed for trade between the two Member States concerned;

Whereas detailed rules must be laid down for the levying or granting of compensatory amounts in such manner as to avoid deflections of trade, which might be engendered by the difference in the level of these amounts;

Whereas butter from public stocks which is the subject of special measures taken in pursuance of Article 7a of Council Regulation (EEC) No 985/68 [1] of 15 July 1968 laying down general rules for intervention on the market in butter and cream, as last amended by Regulation (EEC) No 2714/72 [2], is sold at special prices; whereas it can be inappropriate in certain cases for these compensatory amounts to be applied in respect of such butter;

HAS ADOPTED THIS REGULATION:

Article 1

1. The compensatory amounts to be applied up to the end of the 1972/73 milk year in trade between the Community as originally constituted and the new Member States, and in trade between those States and third countries, in respect of the pilot products listed in Annex I of Regulation (EEC) No 823/68 [3] and in respect of products falling within Common Customs Tariff heading No 04.01 shall be as shown in the Annex.

Notwithstanding Article 55 (3) of the Act, Ireland shall grant on exports from Ireland to the United Kingdom of products falling within subheading ex 04.01 B of the Common Customs Tariff intended for consumption in the United Kingdom with a fat content by weight

— of not less than 18 % but less than 20 % in immediate packing of a net capacity of less than or equal to 2 litres, a compensatory amount of 12 units of account per 100 kilogrammes net weight;

— of not less than 48 % but less than 57 % in metal containers with a net content equal to or greater than 45·460 litres (10 gallons) intended for consumption in the United Kingdom after packaging in small packages, a compensatory amount of 32 units of account per 100 kilogrammes net weight.

2. In trade between

— the Community as originally constituted and the new Member States the compensatory amounts shall be applied by the Member States of the Community as originally constituted;

— the new Member States, the compensatory amounts shall be applied by the Member State in respect of which the compensatory amount in trade with the Community as originally constituted is the lowest;

— the new Member States and third countries, compensatory amounts shall be deducted from the import levy and from the refund.

However,

as regards products falling within Common Customs Tariff subheading 04.01 A II a), in trade between the United Kingdom and

— the other Member States, the compensatory amount shall be applied by the United Kingdom;

— third countries, the compensatory amount shall be added to the import levy and to the refund.

[1] OJ No L 169, 18. 7. 1968, p. 1.
[2] OJ No L 291, 28. 12. 1972, p. 15.
[3] OJ No L 151, 30. 6. 1968, p. 3.

3. In trade between the Community as originally constituted and the new Member States, and in trade between the latter, in the following products falling under the Common Customs Tariff:

04.02 B	I b)	
04.04 A	II	
04.04 D	II	
ex 04.04 E		Glaris herb cheeses ('Schabziger') Tilsit, Kashkaval, sheep or buffalo cheeses in receptacles containing brine or in sheep or goat-skin pouches,
ex 04.04 E	I b) 5	

it may be provided that the compensatory amount fixed for trade in such products shall only be granted on proof that the product in question is of Community origin.

Article 2

1. For the milk products not referred to in Article 1 (1), the compensatory amounts applicable until the first move towards alignment of prices shall, pursuant to Article 86 (2) and (3) of the Act, be fixed in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68 (1).

2. The Commission is authorized to publish the compensatory amounts as fixed in the Annex together with the compensatory amounts fixed in pursuance of paragraph 1.

3. All compensatory amounts applicable from the first move towards alignment shall, pursuant to Articles 86 and 87 of the Act, be fixed in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68.

Article 3

The compensatory amount applied shall be that applicable on the day of importation or exportation.

Article 4

Where for a particular product, a compensatory amount is fixed which is to be deducted from the refund on exports to third countries, and the refund is less than the compensatory amount, or no refund is applicable, a levy may be charged, when the particular product is exported from the new Member State in question to third countries, of an amount not exceeding the difference between the compensatory amount and the refund; or, where applicable, the compensatory amount.

Article 5

It may be decided that the compensatory amounts provided for in the Act are not to apply to butter sold in pursuance of Article 7a of Regulation (EEC) No 985/68.

Article 6

1. The detailed rules for the granting, levying, and collection of compensatory amounts to be made, in particular in order to prevent deflections of trade, shall be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68.

2. The detailed rules for applying this Regulation and in particular the measures to be adopted pursuant to Article 87 (2) of the Act, when this proves necessary, shall be laid down in accordance with the same procedure.

Article 7

This Regulation shall enter into force on the day of 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, 31 January 1973.

For the Council

The President

A. LAVENS

(1) OJ No L 148, 28. 6. 1968, p. 13.

ANNEX

Compensatory amounts applicable in trade between the Community as originally constituted and the new Member States and between the latter and third countries

A. *Pilot products within the meaning of Annex I to Regulation (EEC) No 823/68*

	u.a./100 kg		
	Trade with		
	Denmark	Ireland	United Kingdom
Group 1	—	—	—
Group 2	—	—	—
Group 3	5·54	9·79	34·86
Group 4	1·60	2·83	10·06
Group 5	1·92 (1)	3·39 (1)	12·07 (1)
Group 6	17·47	30·89	109·94
Group 7	6·07	10·74	38·21
Group 8	6·07	10·74	38·21
Group 9	4·56	8·06	28·69
Group 10	6·07	10·74	38·21
Group 11	6·07	10·74	38·21
Group 12	—	—	—

(1) The compensatory amount for 100 kg net weight of product falling within this subheading is equal to the sum of the following components:

(a) the amount shown;

(b) an additional amount for each percentage unit constituting the sucrose content of 100 kg net weight of product equal to the compensatory amount applicable to 1 kg of white sugar in trade between the Community as originally constituted and the new Member States and between the latter and third countries.

B. *Products falling within heading No 04.01*

CCT heading No	Description	Compensatory amounts in u.a./100 kg net weight (unless otherwise indicated)		
		Trade with		
		Denmark	Ireland	United Kingdom
04.01	Milk and cream, fresh, not concentrated or sweetened:			
	A. Of a fat content, by weight, not exceeding 6 %:			
	I. Yoghourt, kephir, curdled milk, whey, buttermilk and other fermented or acidified milk:			
	— Whey	—	—	—
	— Other, of a fat content, by weight:			
	— Not exceeding 1 %	—	—	—
	— Exceeding 1 %	0·87	1·39	4·96
	II. Other:			
	a) In immediate packings of a net capacity of 2 litres or less	0·87	1·39	1·53
	b) Other, of a fat content, by weight:			
	— Not exceeding 1 %	—	—	—
	— Exceeding 1 % but not exceeding 2 %	0·35	0·57	2·01
	— Exceeding 2 % but not exceeding 3 %	0·59	0·94	3·35
	— Exceeding 3 % but not exceeding 4 %	0·87	1·39	4·96
	— Exceeding 4 % but not exceeding 5 %	1·05	1·70	6·03
	— Exceeding 5 %	1·29	2·07	7·37
	B. Other, of a fat content, by weight, exceeding 6 %:			
	— In immediate packings of a net capacity of 2 litres or less	0·2343 (1)	0·3767 (1)	0·9730 (1)
	— Other	0·2343 (1)	0·3767 (1)	1·3407 (1)

(1) The compensatory amount for 100 kg net weight of product falling within this subheading is equal to the amount shown multiplied by the weight of milk fats contained in 100 kg of finished product.