REGULATION (EEC) No 704/73 OF THE COMMISSION
of 13 March 1973
fixing the amount of the subsidy on oil seeds

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community ;

Having regard to Council Regulation No 136/66/EEC (1) of 22 September 1966 on the establishment of a common organization of the market in oils and fats, as last amended by the Act (2) annexed to the Treaty (3) on 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 Article 27 (4) thereof ;

Having regard to the Opinion of the Monetary Committee ;

Whereas Article 27 of Regulation No 136/66/EEC provides that a subsidy should be granted in respect of oil seeds harvested and processed within the Community when the target price for a species of seed is higher than the price on the world market ; whereas these provisions apply only in respect of colza, rape and sunflower seeds ;

Whereas the subsidy on oil seeds should, theoretically, be equal to the difference between those two prices ;

Whereas the target price for each species of seed was fixed by Council Regulation (EEC) No 1331/72 (4) of 27 June 1972 fixing target and basic intervention prices for oil seeds for the 1972/73 marketing year ;

Whereas Article 29 of Regulation No 136/66/EEC provides that the world market price, calculated for a Community frontier crossing point, is to be determined on the basis of the most favourable purchasing opportunities, quotations being adjusted where necessary to take account of quotations for competing products ;

Whereas Article 4 of Council Regulation No 115/67/EEC (5) of 6 June 1967 laying down criteria for determining world market prices for oil seeds and fixing the frontier crossing point, fixed at Rotterdam ;

Whereas Article 1 of that Regulation provides that when the world market price is being determined account should be taken of all offers on the world market known to the Commission and of quotations on those exchanges which are significant for international trade ; whereas Article 2 of Commission Regulation No 225/67/EEC (6) of 28 June 1967 on detailed rules for determining the world market price for oil seeds, as last amended by the Act annexed to the Treaty on the Accession of new Member States to the European Economic Comunity and the European Atomic Energy Community, signed at Brussels on 22 January 1972, provides that offers and quotations which do not relate to shipments to be effected within 30 days following the date on which the world market price is determined should be disregarded ; whereas offers and quotations which the Commission believes, in view of general price movements or information available to it, not to be representative of the real trend of the market must also be disregarded ; whereas offers and quotations relating to quantities of less than 500 metric tons and offers relating to seed of a quality other than that normally acceptable on the world market must also be disregarded ;

Whereas Article 3 of Regulation No 225/67/EEC provides that of the offers and quotations taken into consideration, those for delivery c and f should be increased by 0·2 % ; whereas offers and quotations for delivery fas, fob or otherwise should be increased, as appropriate, by loading, transport and insurance costs from the point of shipment or loading to the frontier crossing point ; whereas cif offers and quotations for frontier crossing points other than Rotterdam should be adjusted to allow for the difference in transport costs as compared with a product delivered cif Rotterdam ; whereas the Commission should take account only of the loading, transport and insurance costs which to its knowledge are the lowest ; whereas, finally, offers and quotations for delivery cif Rotterdam should be increased by 0·20 unit of account ;

Whereas Article 5 of Regulation No 115/67/EEC provides that the world market price should be determined for seed of the standard quality for which the target price has been fixed, delivered in bulk ;

Whereas Article 3 of Regulation No 225/67/EEC provides that offers and quotations relating to products presented otherwise than in bulk should be adjusted by deducting the additional value resulting

(1) OJ No 172, 30. 9. 1966, p. 3025/66.
(2) OJ No L 73, 27. 3. 1972, p. 14.
(3) OJ No L 73, 27. 3. 1972, p. 5.
(4) OJ No L 147, 29. 6. 1972, p. 1.
(5) OJ No 111, 10. 6. 1967, p. 2196/67.
(6) OJ No 136, 30. 6. 1967, p. 2919/67.

from that presentation ; whereas offers and quotations relating to a quality other than the standard quality for which the target price was fixed should be adjusted on the basis of the coefficients of equivalence shown in the Annex to that Regulation ; whereas, in the case of offers on the world market for qualities of colza and rape seed other than those listed in that Annex, coefficients of equivalence derived from those listed in that Annex may, pursuant to Article 4 of Regulation No 225/67/EEC, be applied ; whereas, when derived coefficients are being calculated, account must be taken of the differences between prices for the qualities of seed in question and prices for the qualities listed in that Annex, and of the characteristics of these various seeds ;

Whereas Article 2 of Regulation No 115/67/EEC provides that, where no offer or quotation can be used as a basis for determining the world market price, that price should be determined on the basis of the value of the average quantities of oil and oil cake resulting from the processing of 100 kg of seed within the Community less an amount corresponding to the cost of processing these seeds into oil and oil cake ; whereas the quantities and costs to be taken into consideration for the purposes of the calculation are fixed in Article 5 of Regulation No 225/67/EEC ; whereas the value of those quantities should be determined in accordance with the provisions of Article 6 of that Regulation ;

Whereas Article 3 of Regulation No 115/67/EEC provides that, where no offer or quotation can be used as a basis for determining the world market price and where it is, moreover, impossible to establish the value of the oil or oil cake processed from such seed, the world market price should be determined on the basis of the most recent known value for oil or oil cake, adjusted to take account of the trend of world prices for competing products by applying to that value the rules set out in Article 2 of Regulation No 115/67/EEC; whereas Article 7 of Regulation No 225/67/EEC defines competing products as those oils or oil cakes, as the case may be, which appear to have been offered in the largest quantities on the world market during the period under consideration ;

Whereas Article 6 (1) of Regulation No 115/67/EEC provides that, when the world market price of a type of seed is being determined, the price used should be adjusted by an amount not exceeding the margin between :

— the difference between the price of 100 kg of colza, rape or sunflower seeds, plus processing costs, and the total of the prices of the quantities of oil and oil cake resulting from the processing of the type of seed in question, and

— the difference between the price of 100 kg of one or more other seeds, plus processing costs, and the total of the prices of the quantities of oil and oil cake resulting from the processing of these seeds ;

Whereas the factors to be taken into consideration for the purpose of determining that margin are defined in Article 8 of Regulation No 225/67/EEC ; whereas no adjustment should be made where the margin is found to be less than 0·50 unit of account; whereas Article 6 (2) of Regulation No 115/67/EEC provides that, when the amount of the adjustment is being determined, account should be taken of the incidence of the margin in question on marketing operations of Community traders and on the disposal of the various types of seed on the world market ;

Whereas Council Regulation (EEC) No 2114/71 [1] of 28 September 1971 on the subsidy for oil seeds, as amended by Regulation (EEC) No 2730/71 [2], laid down rules for granting the subsidy on oil seeds ; whereas under that Regulation, where the subsidy to be granted is fixed in advance, the amount of such subsidy must be equal to the amount applicable on the day on which the application for advance fixing was lodged, adjusted by the difference between the target price valid on that day and the target price valid on the day on which the seeds are placed under control at an oil mill and, where appropriate, a corrective amount ; whereas Article 36 of Commission Regulation (EEC) No 1204/72 [3] of 7 June 1972 laying down detailed rules for the application of the subsidy system for oil seeds, as last amended by Regulation (EEC) No 688/73 [4], provides that such adjustment should involve increasing or reducing the amount of subsidy applicable on the day on which the application was lodged by the difference between the target price valid during the month during which the seeds were placed under control at an oil mill and the target price valid on the day on which the application was lodged ;

Whereas Article 38 of Regulation (EEC) No 1204/72 provides that the corrective amount must be equal to the difference between the world market price for colza, rape and sunflower seeds and the forward price for those seeds valid for a shipment effected during the month in which the seeds were placed under control at an oil mill, those prices being determined in accordance with Articles 1, 4 and 5 of Reg-

[1] OJ No L 222, 2. 10. 1971, p. 2.
[2] OJ No L 282, 23. 12. 1971, p. 18.
[3] OJ No L 133, 10. 6. 1972, p. 1.
[4] OJ No L 66, 13. 3. 1973, p. 20.

ulation 115/67/EEC ; whereas, if no offer and no price can be used for such determination, the method of calculation provided for in Article 38 of Regulation (EEC) No 1204/72 should be used ; whereas the abovementioned difference may be adjusted pursuant to Article 39 of Regulation (EEC) No 1204/72, account being taken of prices for soya seeds on the world market ;

Whereas the subsidy should be fixed whenever the market situation makes it necessary and in such a way as to ensure its being applied at least once a week ;

Whereas Article 34 of Regulation (EEC) No 1204/72 provides that the subsidy fixed previously should be retained if the variation in the factors used to calculate it entails an increase or reduction in that subsidy of less than 0·10 unit of account ; whereas the subsidy may be altered whenever it becomes obvious that such alteration is necessary ;

Whereas, if the subsidy system is to operate normally, the subsidy should be calculated on the basis of an exchange rate which is based, in the case of currencies which are floating or whose central rate differs from the official parity, on the effective rate or the central rate of these currencies and, in the case of the US dollar, on the change in parity announced on 13 February 1973 ;

Whereas in the absence of the indicative price for the 1973/74 marketing year for colza and rape seed in case of pre-fixation for the months of July and August 1973 the amount of subsidy on these products has been obtainable only on the basis of the indicative price for the months of July and August 1972, this amount may, therefore, be applied only on a temporary basis and should be confirmed or replaced when the indicative price for the 1973/74 marketing year is known ;

Whereas it follows from applying all these provisions to the offers and quotations known to the Commission that the subsidy on colza, rape and sunflower seeds should be fixed as shown in the Table annexed to this Regulation ;

HAS ADOPTED THIS REGULATION :

Article 1

1. The amount of the subsidy referred to in Article 27 of Regulation No 136/66/EEC is hereby fixed as shown in the Table annexed to this Regulation.

2. The amount of the subsidy for the months of July and August 1973 will, however, as for colza and rape seeds, be confirmed or replaced as from 14 March to take into account the indicative price which is fixed for these products for the 1973/74 marketing year.

Article 2

This Regulation shall enter into force on 14 March 1973.

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

Done at Brussels, 13 March 1973.

For the Commission

P. J. LARDINOIS

Member of the Commission

ANNEX

to the Commission Regulation of 13 March 1973 fixing the amount of the subsidy on oil seeds

Subsidy applicable from 14 March 1973 to colza and rape seeds (CCT heading No ex 12.01) and sunflower seeds (CCT heading No ex 12.01) (u.a./100 kg)

	Colza and rape seed	Sunflower seed
Subsidy	4·537	4·960
Subsidy in the case of advance fixing (1)		
— for the month of March	4·537	4·960
— for the month of April	5·988	4·925
— for the month of May	5·988	4·855
— for the month of June	6·071	4·820
— for the month of July	4·754	—
— for the month of August	4·837	—

(1) Advance fixing of the subsidy is suspended in accordance with Regulation (EEC) No 646/73 (OJ No L 61, 7. 3. 1973, p. 17) as amended by Regulation (EEC) No 701/73 (see p. 17 of this Official Journal)