REGULATION (EEC) No 1999/74 OF THE COUNCIL

of 29 July 1974

amending Regulation (EEC) No 243/73 laying down general rules for the system of compensatory amounts for rice and fixing these amounts for certain products

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to the Treaty concerning the accession of new Member States to the European Economic Community and to the European Atomic Energy Community, [1] and in particular Articles 55 (6) and 62 (1) of the Act annexed thereto;

Having regard to the proposal from the Commission;

Whereas Article 5 (2) of Council Regulation (EEC) No 243/73 [2] of 31 January 1973 laying down general rules for the system of compensatory amounts for rice and fixing these amounts for certain products provides that for paddy rice, semi-milled or milled rice the amount applicable by way of compensatory amount, when the levy is less than the compensatory amount for the product in question, is to be determined by the Commission by applying the scale set out in the Annex to that Regulation; whereas it has been found that this method of determining the amount applicable by way of compensatory amount for these types of rice may lead to distortions of competition; whereas milled rice imported from third countries as from the original Member States may be marketed in the new Member States at a price lower than the cost price of husked rice imported and processed locally; whereas to remedy this situation the amount applicable by way of compensatory amount should be determined for paddy rice, semi-milled and milled rice by reference to the amounts applicable by way of compensatory amounts in respect of husked rice and by applying the coefficients referred to in Commission Regulation No 467/67/EEC [3] of 21 August 1967 fixing the conversion rates, the processing costs and the value of the by-products for the various stages of rice-processing, last amended by Regulation (EEC) No 1808/74 [4];

Whereas for the sake of consistency as regards the rules governing the calculations in question for rice, the amount to be applied as the compensatory amount for paddy rice should also be derived from that which is fixed for husked rice,

HAS ADOPTED THIS REGULATION:

Article 1

The text of Article 5 (2) of Regulation (EEC) No 243/73 shall be replaced by the following:

'2. For paddy rice, semi-milled or milled rice the amounts applicable by way of compensatory amount shall be determined by the Commission with the help of the coefficients set out in Regulation No 467/67/EEC and for husked rice by reference to the variations in the amount or amounts determined pursuant to the first paragraph.'

Article 2

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, 29 July 1974.

For the Council

The President

B. DESTREMAU

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[1] OJ No L 73, 27. 3. 1972, p. 14.
[2] OJ No L 29, 1. 2. 1973, p. 26.
[3] OJ No 204, 24. 8. 1967, p. 1.
[4] OJ No L 188, 12. 7. 1974, p. 34.