COUNCIL REGULATION (EEC) No 1488/76

of 22 June 1976

laying down provisions for the introduction of a system of minimum stocks in the sugar sector

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar [1], as last amended by Regulation (EEC) No 1487/76 [2], and in particular Article 18 (3) thereof,

Having regard to the proposal from the Commission,

Whereas in view of the aims of the common agricultural policy, in particular the stabilization of markets, the maintenance of reasonable prices for the supplies to consumers and the safeguarding of normal supplies for the entire Community and each of its regions, Article 18 of Regulation (EEC) No 3330/74 provides for the establishment of a system of minimum stocks ; whereas the said Article lays down that the minimum stock shall in principle be equal to 10% of the basic quota for each undertaking or to 10% of an undertaking's production where its production is smaller than its basic quota ; whereas as regards preferential sugar, the said Article provides that the minimum stock must in principle be equal to 10% of the quantity of preferential sugar refined by an undertaking during a period to be determined ; whereas, therefore, the stock must be held under certain conditions by the manufacturer and the refiner of the sugar in question ; whereas it is necessary to apply this system in such a way as to take account of the existing structures in the sugar sector ; whereas the criteria for proper utilization of the minimum stock need to be laid down ;

Whereas in order to ensure effective administration of this system, provision should be made for the adoption of implementing provisions in accordance with the procedure laid down in Article 36 of Regulation (EEC) No 3330/74,

HAS ADOPTED THIS REGULATION :

Article 1

Without prejudice to the other provisions of this Regulation and in so far as the goods concerned are those to which Article 8 of Regulation (EEC) No 3330/74 applies :

(a) each sugar manufacturer shall, each month of the calendar year, hold in stock a quantity of sugar which may not be less than 10% of his actual production, within the limits of the basic quota of his undertaking, during the 12 months immediately preceding the month in question ;

(b) each refiner of preferential sugar shall, each month of the calendar year, hold in stock a quantity of sugar which may not be less than 10% of the preferential sugar refined in his undertaking during the 12 months immediately preceding the month in question.

Article 2

Without prejudice to Article 3 the minimum stock may only be the property of the manufacturer or refiner in question and must be unencumbered by any commitments that might impede the aims of Article 18 of Regulation (EEC) No 3330/74.

Article 3

Raw sugar or syrups produced prior to the crystallizing stage by an undertaking which has a basic quota as part of its minimum stock and which are intended for processing into white sugar by another undertaking :

(a) may be sold to the processor, on condition that the latter undertakes, with respect to the quantity of the product in question, to meet the obligations specified in Articles 1 (a) and 2 ;

or

(b) at the request of the manufacturer who produced them they shall not be subject to the obligation referred to in Article 1 (a), in return for the reimbursement by the manufacturer on a flat-rate basis of the profit resulting from taking account of storage costs for the minimum stock in fixing sugar prices.

Article 4

Where the supplies of sugar required by the Community can no longer be ensured under normal condi-

[1] OJ No L 359, 31. 12. 1974, p. 1.
[2] See page 9 of this Official Journal.

tions, provision may be made for the owner of the minimum stock to be released in whole or in part from the obligation to stock the sugar in question.

Article 5

Where the market position so requires or where action to release sugar taken in accordance with Article 4 is ineffective, the Council, acting by a qualified majority on a proposal from the Commission, shall adopt appropriate measures to ensure that the necessary quantities are taken out of stock to supply the Community or one or more Community regions under normal conditions.

Article 6

When sugar from the minimum stock is marketed under conditions other than those provided for by the rules of the minimum stock system, a charge shall be levied in respect of the quantity of sugar marketed.

This amount shall be calculated on the basis of :

(a) a sum representing the profit resulting from taking account of the costs involved in maintaining the minimum stock in fixing sugar prices ;

and

(b) the difference between the threshold price and the intervention price fixed for white sugar for the sugar marketing year in question, plus a fixed amount of two units of account per 100 kilogrammes.

Article 7

Detailed rules for the application of this Regulation, in particular the amount laid down in Article 6, and any derogations from Article 2 shall be adopted in accordance with the procedure laid down in Article 36 of Regulation (EEC) No 3330/74.

Article 8

1. This Regulation shall enter into force on 1 July 1976.

2. This Regulation shall apply from the 1976/77 sugar marketing year :

— to the French departments of Guadeloupe and Martinique, as from 1 June 1977,

— to the other regions of the Community, as from 1 February 1977.

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

Done at Luxembourg, 22 June 1976.

For the Council

The President

J. HAMILIUS