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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1110/77

of 17 May 1977

amending Regulation (EEC) No 3330/74 on the common organization of the market in sugar

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Having regard to the opinion of the Economic and Social Committee (2),

Whereas the introduction of common measures for isoglucose, which provide in particular for isoglucose to be classified under subheadings 17.02 D I and 17.05 C I of the Common Customs Tariff, necessitates the exclusion of this product from the scope of Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar (3), as last amended by Regulation (EEC) No 3138/76 (4);

Whereas the sugar prices fixed hitherto by the Community have taken into account the value of the raw material, the processing costs and the costs of storing the sugar; whereas in the light of experience gained in the matter of establishing the guaranteed prices for preferential sugar, it follows that, on the one hand, storage costs should be omitted from the standard calculation of the intervention prices and of the target price and, on the other, the repayment of storage costs should be fixed at the same time as the derived intervention prices in accordance with the same procedure, and that the levy offsetting the repayments for storage costs should be taken into account in the calculation of the threshold price; whereas in view of the special situation of preferential sugar as regards storage, the Community provisions should be re-examined in order that a specially adapted system of storage levies can be applied to the said sugar;

Whereas Article 27 of Regulation (EEC) No 3330/74 provides in particular that the sugar production levy is to be calculated taking into account the total losses incurred in marketing the quantity of sugar produced in the Community in excess of the guaranteed quantity, which losses are reduced by the revenue from export levies;

Whereas the production levy on isoglucose provided for in Article 9 of Council Regulation (EEC) No 1111/77 of 17 May 1977 laying down common provisions for isoglucose (5), is based essentially on the need for isoglucose producers to share the costs incurred by the sugar sector inasmuch as the substitution of isoglucose for sugar makes it inevitable, in view of the Community sugar surplus, for corresponding quantities of sugar to be exported to third countries; whereas the revenue from the production levy on isoglucose should therefore be set against these marketing losses;

Whereas Article 38 (2a) of Regulation (EEC) No 3330/74 *inter alia* increased from 5·9 to 9·9 units of account the amount of the adaptation aid provided for in paragraph 1 of that Article which Italy is authorized to grant during the 1976/77 sugar year; whereas the latter amount applies to a quantity of white sugar corresponding to Italy's basic quantity increased by 100 000 tonnes of white sugar; whereas the reasons which led to this measure are still valid and it is therefore necessary to adopt it once again for the 1977/78 sugar year, while adjusting it to the new production prospects in Italy, and therefore to provide that the

(1) OJ No C 93, 18. 4. 1977, p. 11.
(2) OJ No C 77, 30. 3. 1977, p. 15.
(3) OJ No L 359, 13. 12. 1974, p. 1.
(4) OJ No L 354, 24. 12. 1976, p. 1.

(5) See page 4 of this Official Journal.

amount of 9·9 units of account shall apply to the basic quantity increased by 170 000 tonnes of white sugar; whereas if total production exceeds 1 400 000 tonnes of white sugar, an amount of 106 620 000 units of account could be granted by the Italian Republic, to be applied to the entire production,

HAS ADOPTED THIS REGULATION:

Article 1

Article 1 (1) (d) of Regulation (EEC) No 3330/74 shall be replaced by the following:

'(d)	17.02 C, D II, E, F	Other sugars (but not including lactose, glucose and isoglucose); syrups (but not including lactose syrup, glucose syrup and isoglucose syrup); artificial honey (whether or not mixed with natural honey); caramel
	17.05 C II	Flavoured or coloured sugars (but not including lactose, glucose and isoglucose); syrups (but not including lactose syrup, glucose syrup and isoglucose syrup) and molasses but not including fruit juices containing added sugar in any proportion.'

Article 2

Article 8 of Regulation (EEC) No 3330/74 shall be replaced by the following:

'*Article 8*

1. Subject to Article 31 (2), storage costs for white sugar, raw sugar and certain syrups produced prior to the crystallizing stage, manufactured from beet or cane harvested in the Community shall be reimbursed at a flat rate by the Member States.

The storage costs for preferential sugar referred to in Article 43 shall also be reimbursed at a flat rate by the Member States.

Member States shall charge a levy:

(a) on each sugar manufacturer:

— per unit of weight of sugar produced, or

— per unit of weight of the syrups referred to in the first subparagraph and produced and marketed in the natural state;

(b) on each importer of preferential sugar per unit of weight of sugar imported and marketed in the natural state;

(c) on each sugar refiner of preferential sugar per unit of weight of refined sugar.

The amount of the reimbursement shall be the same for the entire Community. This rule of uniformity shall also apply to the levy applicable in each case referred to in subparagraph (a) on the one hand and subparagraphs (b) and (c) on the other.

2. The Council, acting by a qualified majority on a proposal from the Commission, shall:

(a) adopt general rules for the application of paragraph 1;

(b) fix the amount of the reimbursement at the same time as the derived intervention prices.

The amount of the levy shall be fixed annually in accordance with the procedure laid down in Article 36. Other rules for the application of this Article shall be adopted in accordance with the same procedure.'

Article 3

Article 13 (2) of Regulation (EEC) No 3330/74 shall be replaced by the following:

'2. The threshold price for white sugar shall be the same as the target price for the Community area having the largest surplus plus charges, calculated at a flat rate, for transport from that area to the most distant deficit area in the Community, plus a flat-rate amount which takes account of the levy referred to in Article 8 for the sugar year in question. This price shall apply to the same standard quality as the target price.'

Article 4

The first indent of the third subparagraph of Article 27 (2) of Regulation (EEC) No 3330/74 shall be replaced by the following:

'— the total losses mentioned in that subparagraph shall be reduced by the amount of the export levies and by the production levy provided for in Article 9 of Council Regulation (EEC) No 1111/77 of 17 May 1977 laying down common provisions for isoglucose [1] imposed on isoglucose produced during the sugar year in question;'.

Footnote [1] shall read as follows:

'[1] OJ No L 134, 28. 5. 1977, p. 4.'

Article 5

Article 38 (2a) of Regulation (EEC) No 3330/74 shall be replaced by the following:

'2a. By way of derogation from paragraphs 1 and 2, during the 1977/78 sugar year the amount referred to in the first subparagraph of paragraph 1 shall be 9·9 units of account, a portion of which may be granted to the processing industry. This amount shall apply to the quantity of white sugar referred to in the second subparagraph of paragraph 1 increased by 170 000 tonnes of white sugar.

However, if total production exceeds 1 400 000 tonnes of white sugar the Italian Republic may grant a maximum of 106 620 000 units of account, to be applied to all the production on its territory during the 1977/78 sugar year.'

Article 6

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

It shall apply from 1 July 1977.

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

Done at Brussels, 17 May 1977.

For the Council

The President

J. SILKIN