COUNCIL REGULATION (EEC) No 1358/77

of 20 June 1977

laying down general rules for offsetting storage costs for sugar and repealing Regulation (EEC) No 750/68

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 cn the common organization of the market in sugar (1), as last amended by Regulation (EEC) No 1110/77 (2), and in particular Article 8 (2) (a) thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No 750/68 of 18 June 1968 laying down general rules for offsetting storage costs for sugar (3), as last amended by Regulation (EEC) No 152/71 (4), has been amended on several occasions; whereas, moreover, these general rules must be extended to cover preferential sugar with effect from the 1977/78 sugar marketing year; whereas, therefore, these general rules should be adapted and supplemented;

Whereas Article 8 (1) of Regulation (EEC) No 3330/74 provides for the reimbursement at a flat rate of storage costs for certain sugars;

Whereas this flat-rate reimbursement is financed by levies; whereas, therefore, the principle to be observed when the amounts of these levies are being fixed should be that total reimbursements made should equal total levies charged;

Whereas the reimbursement system is confined to sugar manufactured from beet or cane harvested within the Community and to preferential sugar; whereas control is needed to ensure that this rule is observed;

Whereas intervention agencies usually find it necessary to store the sugar which they have bought and should therefore be entitled to reimbursement; whereas, however, given the special position of intervention agencies, the period for which a reimbursement is granted should be limited;

Whereas reimbursement cannot be granted unless some measure of control is possible and warehouses must therefore be officially approved; whereas, for this reason, reimbursement should normally be made by the Member State in whose territory the sugar is stored;

Whereas the calculation of the reimbursement should be based on periods for which the movement of stocks can be checked;

Whereas particular measures may be needed to deal with the special situation of sugar in transit at the beginning of a month; whereas such measures should be adopted in the same way as the rules required for the application of this Regulation, namely in accordance with the prodcedure laid down in Article 36 of Regulation (EEC) No 3330/74;

Whereas the purpose of the reimbursement is to offset storage costs necessarily incurred; whereas, therefore, when the amount of the reimbursement is being fixed the main charges included in storage costs must be taken into account;

Whereas effective control of manufacturing can best be exercised when the sugar is being marketed; whereas, therefore, the levy should be collected from the manufacturer at the time of marketing;

Whereas a levy should be collected at the time of importation in the case of sugar imported on preferential terms and marketed in the natural state, and at the time of refining in the case of other preferential sugar;

Whereas, since some time must elapse before the exact amount of the levies can be established, these amounts must therefore be based on forecasts which must be adjusted in the light of results for previous marketing years,

HAS ADOPTED THIS REGULATION:

Article 1

Reimbursement of storage costs in respect of the sugar or the syrups referred to in the first and second subparagraphs of Article 8 (1) of Regulation (EEC) No 3330/74 shall be made, in principle by the Member State on whose territory the products are stored, within a period to be specified.

(1) OJ No L 359, 31. 12. 1974, p. 1.
(2) OJ No L 134, 28. 5. 1977, p. 1.
(3) OJ No L 137, 21. 6. 1968, p. 4.
(4) OJ No L 22, 28. 1. 1971, p. 1.

Article 2

1. Reimbursement shall be made to :

(a) any sugar manufacturer to whom a basic quota has been allocated ;

(b) any sugar refiner ;

(c) any manufacturer of powdered, lump or candy sugar who has been approved by the Member State on whose territory he is established ;

(d) any specialized sugar trader who has been approved by the Member State on whose territory he is established ;

(e) any intervention agency ;

provided that they are the owners of the sugar or, as the case may be, of the syrups held in store at the beginning of the period referred to in Article 4 (2).

2. The approval referred to in paragraph 1 shall be granted subject to conditions to be specified.

3. However, where sugar which has been the subject of intervention measures is held in store by an intervention agency, reimbursement shall be limited to a maximum period to be determined.

Article 3

1. Reimbursement shall be made in respect of :

— undenatured white and raw sugar and certain syrups produced within the maximum quota,

— all imported preferential sugar, and undenatured white sugar produced therefrom,

stored in a warehouse approved by the Member State in whose territory the warehouse is situated.

Approval shall be granted subject to conditions to be specified.

2. In special circumstances special provisions may be adopted in accordance with the procedure laid down in Article 36 of Regulation (EEC) No 3330/74 to deal with sugar in transit at the beginning of the period referred to in Article 4 (2).

Article 4

1. Calculation of the reimbursement shall be based on monthly returns of quantities in store.

2. The quantity to be taken into account for any one month shall be equal to the arithmetic mean of the quantities held in store at the beginning and at the end of the month in question.

3. For calculating the reimbursement, raw sugar and syrup shall be expressed as white sugar equivalent on the basis of yield or sugar content. The reimbursement of storage costs for syrups may be limited to a period to be specified.

Article 5

The amount of the reimbursement shall be fixed per month and per unit of weight, financing, insurance and specific storage costs being taken into consideration.

Article 6

1. The levy to be charged in the case referred to under (a) of the third subparagraph of Article 8 (1) of Regulation (EEC) No 3330/74 shall be so fixed that, for any sugar marketing year, the estimated total of the levies shall be equal to the estimated total of the reimbursement referred to in the first subparagraph of Article 8 (1) thereof.

2. When, for any sugar marketing year, the total of levies collected is not equal to the total of the reimbursement made, the difference shall be carried forward to a subsequent sugar marketing year.

3. The amount of the levy per unit of weight shall be calculated as follows : the total estimated reimbursement for the sugar marketing year in question shall be increased or decreased as the case may be by the amounts carried forward under paragraph 2. The result shall be divided by the estimated quantity of sugar which will be marketed during that marketing year and produced within the maximum quotas.

4. The Member State shall collect the levy from each sugar manufacturer in respect of the white and raw sugar and of the syrups, referred to under (a) of the third subparagraph of Article 8 (1) of Regulation (EEC) No 3330/74, produced and marketed within his maximum quota. Nevertheless, the levy shall not be collected when the white or raw sugar is bought by an intervention agency.

Article 7

1. The levy to be collected in the cases referred to under (b) and (c) of the third subparagraph of Article 8 (1) of Regulation (EEC) No 3330/74 shall be so fixed that, for any sugar marketing year, the estimated total of the levies shall be equal to the estimated total of the reimbursement referred to in the second subparagraph of Article 8 (1) of the same Regulation.

2. When, for any sugar marketing year, the total of the levies collected is not equal to the total of the reimbursement made, the difference shall be carried forward to a subsequent sugar marketing year.

3. The amount of the levy per unit of weight shall be calculated as follows : the total estimated reimbursement for the sugar marketing year in question shall be increased or decreased as the case may be by the amounts carried forward pursuant to paragraph 2. The result shall be divided by the estimated quantities of preferential sugar which will be either imported for marketing in the natural state, or refined, during the same period.

4. The Member State shall collect the levy from :

— each importer of preferential sugar which is marketed in the natural state,

— each refiner of imported preferential sugar.

Article 8

Regulation (EEC) No 750/68 is hereby repealed with effect from 30 June 1977.

Article 9

This Regulation shall enter into force on the third day following 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 Luxembourg, 20 June 1977.

For the Council

The President

J. SILKIN