COUNCIL REGULATION (EEC) No 880/77

of 26 April 1977

on the granting of a consumer subsidy for butter

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 Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products (1), as last amended by Regulation (EEC) No 559/76 (2), and in particular Article 12 (2) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (3),

Having regard to the opinion of the Economic and Social Committee (4),

Whereas there are large amounts of butter available and the consumption of butter should therefore be increased by all appropriate means ;

Whereas the reduction of final consumer prices is an effective way of achieving that aim ; whereas for that purpose various Regulations since May 1973 have permitted the granting of a subsidy to reduce the price of butter paid by the final private consumer ;

Whereas the situation on the butter market in the Community justifies the continuation of that measure ; whereas, however, the maximum amount of the subsidy and the method of calculating Community financing should be adjusted taking account of the price of butter ;

Whereas butter consumption in the United Kingdom has fallen appreciably ; whereas this trend may be accentuated by the increase in the price of butter following the price alignment due to take place during the 1977/78 milk year ; whereas there should therefore be provision for special financing arrangements for that Member State to assist it in granting the subsidy ; whereas these special arrangements should apply until 31 December 1978 so that they may be aligned progressively on the Community arrangements for financing the subsidy,

(1) OJ No L 148, 28. 6. 1968, p. 13.
(2) OJ No L 67, 15. 3. 1976, p. 9.
(3) Opinion delivered on 21 April 1977 (not yet published in the Official Journal).
(4) OJ No C 77, 30. 3. 1977, p. 15.

HAS ADOPTED THIS REGULATION :

Article 1

Member States are hereby authorized to grant, in favour of final private consumers, a subsidy for butter which may not exceed 56 units of account per 100 kilograms.

Article 2

Member States shall take all appropriate measures to ensure that the subsidy is granted only in respect of butter purchased for private consumption and that it is passed on to final consumers through its effect on the final selling price. These measures may include provisions to ensure that such butter will be consumed in the Member State concerned.

Article 3

1. By way of derogation from the arrangements referred to in Article 3 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (5), as last amended by Regulation (EEC) No 2788/72 (6), the Guarantee Section of the European Agricultural Guidance and Guarantee Fund shall finance :

— in respect of that portion of the subsidy not exceeding 20 units of account per 100 kilograms of butter : 25 %,

— in respect of that portion of the subsidy in excess of 20 units of account per 100 kilograms of butter : 50 %.

However, as regards the subsidy granted by the United Kingdom until 31 December 1978, Community financing shall amount :

(a) during the period from 1 May 1977 to 31 March 1978 :

— in respect of that portion of the subsidy not exceeding 33 units of account per 100 kilograms : to 100 %,

(5) OJ No L 94, 28. 4. 1970, p. 13.
(6) OJ No L 295, 30. 12. 1972, p. 1.

— in respect of that portion of the subsidy in excess of 33 units of account per 100 kilograms : to 25 % ;

(b) during the period from 1 April 1978 to 31 December 1978 : to an amount to be determined subsequently in accordance with the procedure laid down in Article 43 (2) of the Treaty.

2. Nevertheless, the Community financing provided for in paragraph 1 shall be restricted to butter produced in the Community.

Article 4

This Regulation shall enter into force on 1 May 1977.

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

Done at Luxembourg, 26 April 1977.

For the Council

The President

J. SILKIN