# I

*(Acts whose publication is obligatory)*

## COUNCIL REGULATION (EEC) No 1396/78

**of 20 June 1978**

**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),

Whereas Article 8 of Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar (2), as last amended by Regulation (EEC) No 705/78 (3), which establishes the system of reimbursement of storage costs, does not apply to syrups produced after the crystallizing stage manufactured from beet or cane harvested in the Community or to syrups produced from preferential sugar; whereas market trends in these syrups show a significant increase in demand which requires constantly increasing production and storage; whereas for this reason the system of reimbursement of storage costs should be extended to cover these syrups;

Whereas Article 38 (2a) of Regulation (EEC) No 3330/74 authorizes Italy to grant during the 1977/78 sugar year adaptation aid of 9·9 units of account which is higher than the aid provided for in paragraph 1 of that Article; whereas, since the grounds for this measure still exist, a similar measure should be adopted for the 1978/79 sugar year but should be adapted to the current situation in the beet and sugar sector in Italy,

HAS ADOPTED THIS REGULATION:

*Article 1*

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

'*Article 8*

1. Subject to Article 31 (2), the storage costs in respect of:

— white sugar,

— raw sugar,

— syrups obtained prior to the crystallizing stage, and

— syrups obtained by dissolving crystallized sugar,

manufactured from beet or cane harvested in the Community shall be reimbursed at a flat rate by the Member States.

The storage costs shall also be reimbursed at a flat rate by the Member States in the case of preferential sugar:

— imported in the form of raw sugar,

— imported in the form of white sugar,

and in the case of

— white sugar produced by the refining of preferential raw sugar in the Community,

— syrups obtained after the dissolving of preferential sugar in the Community,

— syrups obtained directly from preferential raw sugar in the Community.

The Member States shall, according to the circumstances, impose a levy:

(a) on each sugar manufacturer, as appropriate:

— by unit of weight of sugar produced,

— by unit of weight of syrups referred to in the first subparagraph, produced prior to the crystallizing stage and marketed in their natural state;

(1) OJ No C 85, 10. 4. 1978, p. 43.
(2) OJ No L 359, 31. 12. 1974, p. 1.
(3) OJ No L 94, 8. 4. 1978, p. 1.

(b) on each importer of preferential sugar, by unit of weight of sugar imported and marketed in its natural state ;

(c) on each refiner of preferential sugar, by unit of weight of refined sugar, the manufacture of syrups obtained directly from preferential raw sugar being regarded, for the purposes of imposing the levy, as refining.

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

2. Paragraph 1 shall not apply to flavoured or coloured sugar falling within heading No 17.01 nor to flavoured or coloured syrups falling within subheading 21.07 F IV of the Common Customs Tariff.

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

(a) adopt the general rules for the implementation of this Article ;

(b) fix the reimbursement amount simultaneously with the derived intervention prices.

The amount of the levy shall be fixed annually in accordance with the procedure laid down in Article 36. The other detailed rules for implementation of the present Article shall be laid down in accordance with the same procedure.'

*Article 2*

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 1978/79 sugar year the amount referred to in the first subparagraph of paragraph 1 shall be 11 units of account, a portion of which may be granted to the processing industry. Such a grant shall be made only with respect to the quantity of sugar beet used to produce 1 400 000 tonnes of white sugar.'

*Article 3*

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 1978..

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

Done at Luxembourg, 20 June 1978.

*For the Council*

*The President*

P. DALSAGER