COUNCIL REGULATION (EEC) No 1399/78

of 20 June 1978

fixing, for the 1978/79 sugar year, the derived intervention prices, the intervention price for raw beet sugar, the minimum prices for beet, the threshold prices, the maximum amount of the production levy and the amount of the repayment to offset storage costs, and fixing the coefficient for calculating the special maximum quota

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 1396/78 (2), and in particular Articles 3 (6), 4 (4), 8 (2), 9 (5), 13 (5), 28 and 32 (4) thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No 1398/78 of 20 June 1978 fixing, for the 1978/79 sugar year, the sugar prices, the standard quality of beet and the coefficient for calculating the maximum quota (3), fixed the intervention price for white sugar at 33·49 units of account per 100 kilograms for the Community area having the largest surplus ;

Whereas Article 3 (2) of Regulation (EEC) No 3330/74 provides that derived intervention prices for white sugar shall be fixed for other areas, account being taken of the regional variations which, given a normal harvest and free movement of sugar, might be expected to occur in the price of sugar under natural conditions of price formation ;

Whereas, in view of the quotas fixed in the production areas of Belgium, Denmark, the Federal Republic of Germany, France and the Netherlands, a balance or surplus situation can be anticipated ; whereas, with the exception of the French overseas departments, the ex-factory prices in the areas mentioned will, to a large extent, be equal to the prices in the Community area having the largest surplus ;

Whereas sugar production in Italy, with relatively high production costs, will probably not exceed the basic quantity fixed ; whereas an allowance should therefore be made for the 1978/79 sugar year of approximately 200 000 tonnes to be covered by production from Community surplus areas ;

Whereas, in these circumstances, the level of market prices in Italy will be determined by the offer prices of sugar from Community surplus areas ; whereas the derived intervention price for Italy may be fixed at 35·09 units of account per 100 kilograms, account being taken, on the one hand, of the intervention price applicable in the north of France, plus the marketing costs for deliveries to Italy and, on the other, of the disposal costs of the Italian sugar industry ;

Whereas, given a normal harvest, the sugar production in Ireland and the United Kingdom covers roughly 90 % and 40 % respectively of the needs of their respective home markets ; whereas these needs must in part be met by sugar available in Community surplus areas ;

Whereas, in these circumstances, the level of market prices in both Ireland and the United Kingdom will be determined largely by the offer prices of sugar from these areas ; whereas a single derived intervention price for white sugar, which may be fixed at 34·49 units of account per 100 kilograms, should therefore be adopted for all regions of Ireland and the United Kingdom, account being taken on the one hand of the intervention price applicable in the Community area having the largest surplus plus the marketing costs of delivery to Ireland and the United Kingdom and, on the other, of the disposal costs of the sugar industry of these Member States ;

Whereas there is a considerable surplus production of raw sugar in the French overseas departments ; whereas the most favourable potential outlets for this sugar within the Community are in the south of France and in Italy, where the sugar, after being refined, may be sold directly ; whereas on the basis of the foreseeable market prices in the deficit areas of Italy, which will probably be 2·43 units of account per 100 kilograms above the derived intervention price in Italy, and taking account of transport costs between the French overseas departments and these areas, the derived intervention prices for those departments should be fixed at 33·29 units of account per 100 kilograms of white sugar ;

(1) OJ No L 359, 31. 12. 1974, p. 1.
(2) See page 1 of this Official Journal.
(3) See page 4 of this Official Journal.

Whereas Article 3 (4) of Regulation (EEC) No 3330/74 provides that an intervention price for raw sugar shall be fixed for those departments, such price to be derived from the intervention price for white sugar fixed for those departments, account being taken of a uniform processing margin and a standard yield; whereas, on the basis of available information, the refining costs may be estimated at 2·75 units of account per 100 kilograms of refined sugar; whereas, moreover, in accordance with the definition of the standard quality for raw sugar laid down by Regulation (EEC) No 431/68 [1], a yield of 92 % should be taken into account;

Whereas Article 9 (5) of Regulation (EEC) No 3330/74 provides for the fixing of intervention prices for raw beet sugar; whereas this fixing is not, however, necessary for the Community regions in which this production is not actually marketed; whereas these prices should be derived from the intervention price for white sugar, account being taken of the factors already mentioned for fixing the intervention price for raw sugar in the French overseas departments and of the forwarding costs for supplying raw sugar, these being estimated at a standard rate of 0·51 unit of account per 100 kilograms;

Whereas the minimum prices for sugar beet, as referred to in the first indent of Article 4 (1) of Regulation (EEC) No 3330/74, must be determined for the areas other than that having the largest surplus on the basis of the intervention prices for white sugar applicable in those areas, account being taken in particular of the amounts used when fixing the minimum price for beet for the area having the largest surplus, the processing margin, the yield, the receipts from molasses and the delivery costs of the beet;

Whereas Article 13 (2) of Regulation (EEC) No 3330/74 provides that the threshold price for white sugar should be the same as the target price for the Community area having the largest surplus plus transport charges, calculated at a flat rate, from that area to the most distant deficit area in the Community, plus a flat rate amount taking account of the storage levy, which for 1978/79 can be estimated at 1·77 units of account per 100 kilograms of white sugar; whereas, given the state of supplies within the Community, account should be taken of transport charges between the departments of northern France and Palermo;

Whereas the threshold price for raw sugar is to be derived from the threshold price for white sugar by reference to a standard processing margin and a standard yield; whereas the same criteria as are used in the derivation of the intervention price for raw sugar should therefore be applied;

Whereas the threshold price for molasses should be fixed in such a way that the receipts from sales of molasses may reach the level of receipts of undertakings taken into account in the fixing of minimum prices for beet;

Whereas Article 28 of Regulation (EEC) No 3330/74 provides for the fixing of the maximum amount of the production levy, for the fixing of the minimum prices for beet outside the basic quota for the sugar-beet producing areas for which an intervention price is fixed and for fixing the percentage determining the supplementary payment which manufacturers must, where appropriate, make to beet sellers; whereas, by Article 27 (3) of Regulation (EEC) No 3330/74, the production levy may not exceed 30 % of the intervention price; whereas for the area with the largest surplus the minimum price for beet outside the basic quota should be fixed at 70 % of the minimum price for beet; whereas the the percentage taken for determining the abovementioned supplementary payment may be fixed at 60, account being taken of the value of beet in relation to the intervention price for sugar; whereas the same percentage should be taken to determine the payment which sugar manufacturers may require of cane sellers;

Whereas Article 5 of Regulation (EEC) No 1358/77 [2] provides that the amount of repayment in the context of the offsetting of storage costs shall be fixed per month and per unit of weight taking account of financing, insurance and specific storage costs;

Whereas under Article 32 (4) of Regulation (EEC) No 3330/74 it is necessary, for the period or periods subsequent to 30 June 1976, to determine the length of each period for which a decision not to apply Article 30 of that Regulation may be taken, to fix the coefficient for calculating the special maximum quota and to specify the basic quota to which the said coefficient applies,

HAS ADOPTED THIS REGULATION:

Article 1

For the regions other than the Community area having the largest surplus the derived intervention prices for 100 kilograms of white sugar shall be:

(a) 35·09 units of account for all regions of Italy;

(b) 33·29 units of account for the French overseas departments;

[1] OJ No L 89, 10. 4. 1968, p. 3.

[2] OJ No L 156, 25. 6. 1977, p. 4.

(c) 34·49 units of account for all regions of Ireland and of the United Kingdom ;

(d) 33·49 units of account for the other regions of the Community.

Article 2

1. The intervention price for 100 kilograms of raw beet sugar shall be 27·81 units of account for the area having the largest surplus and the regions referred to in Article 1 (d).

This intervention price shall be valid for raw sugar of standard quality, unpacked, ex-factory, loaded on to the means of transport chosen by the buyer.

2. The derived intervention price for the French overseas departments for raw sugar referred to in Article 3 (4) of Regulation (EEC) No 3330/74 shall be 28·10 units of account per 100 kilograms, account being taken of the second subparagraph of Article 3 (6) of the said Regulation.

Article 3

1. The minimum price for beet shall be, per tonne :

(a) 28·02 units of account for the regions referred to in Article 1 (a) ;

(b) 27·24 units of account for the regions referred to in Article 1 (c) ;

(c) 25·94 units of account for the regions referred to in Article 1 (d).

2. The minimum price for beet outside the basic quotas shall be, per tonne :

(a) 18·16 units of account for the Community area having the largest surplus and for the regions referred to in Article 1 (d) ;

(b) 20·24 units of account for the regions referred to in Article 1 (a) ;

(c) 19·46 units of account for the regions referred to in Article 1 (c).

Article 4

The threshold price shall be :

(a) 40·20 units of account per 100 kilograms of white sugar ;

(b) 34·45 units of account per 100 kilograms of raw sugar ;

(c) 3·20 units of account per 100 kilograms of molasses.

Article 5

1. The maximum amount of the production levy referred to in Article 28 of Regulation (EEC) No 3330/74 shall be 10·05 units of account per 100 kilograms of white sugar.

2. The percentages referred to in Article 27 (4) and (5) of Regulation (EEC) No 3330/74 shall be 60.

Article 6

The amount of repayment referred to in Article 8 of Regulation (EEC) No 3330/74 shall be 0·30 unit of account per month per 100 kilograms of white sugar.

Article 7

1. The period referred to in the first indent of Article 32 (4) of Regulation (EEC) No 3330/74 shall run from 1 July 1978 to 30 June 1980. The Member State concerned must take its decision in respect of this period not later than 30 June 1978.

2. The coefficient referred to in the second indent of Article 32 (4) of Regulation (EEC) No 3330/74 shall be 2·275 for the period referred to in paragraph 1. The coefficient shall be applied to the basic quota for the 1978/79 marketing year.

Article 8

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

Articles 1 to 6 shall apply for the 1978/79 sugar year.

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