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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1417/78
of 19 June 1978
on the aid system for dried fodder

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1117/78 of 22 May 1978 on the common organization of the market in dried fodder [1], and in particular Article 6 (2) thereof,

Having regard to the proposal from the Commission,

Whereas Article 6 (2) of Regulation (EEC) No 1117/78 provides for the laying down of criteria for calculating the average world market price for dried fodder;

Whereas this price should be calculated on the basis of the most favourable purchasing possibilities on the world market;

Whereas to this end the Commission should take into consideration all offers made on the world market which are known to it and all prices quoted on those exchanges which are important for international trade; whereas, however, it should ignore offers which it regards as not representative of actual market trends;

Whereas, if there are no offers or quotations which can be used as a basis for calculating the world market price, this price should be determined on the basis of the latest average world market price determined;

Whereas provision should be made for adjustments to the offers and quotations used in order to offset in particular any differences in the presentation and quality determined for the purpose of calculating the guide price;

Whereas criteria relative to the minimum quality of dried fodder entitled to aid, based essentially on commercial usage, should be determined;

Whereas processing plants should fulfil the conditions necessary for entitlement to aid; whereas these plants should therefore keep stock accounts including the details necessary for verification of entitlement to aid and should furnish any other necessary proof;

Whereas, where there are no contracts between the producers and the processing plants, other information should be furnished by the latter for the purpose of verification of entitlement to aid;

Whereas the contracts should, on the one hand, promote regular supplies for the processing plants and, on the other, permit the producers to benefit from the aid; whereas, to this end, it should be laid down that the contracts include certain information and in particular the price;

Whereas, in the case of special-order contracts concerning the processing of fodder supplied by the farmer, provision should be made to enable the aid to be passed back to the farmer;

Whereas, in the interests of stability in commercial transactions, consideration should be given to allowing those concerned to have the amount of the supplementary aid fixed in advance; whereas, in the interests of sound administration, provision should be made for the introduction of advance fixing certificates, and for the furnishing of a deposit in respect of these certificates guaranteeing that the commitment that the dried fodder will leave the plant during the period of validity of the certificate will be respected;

Whereas provision should be made for the possibility of suspending the advance fixing or the aid so as to rectify an abnormal situation on the dried fodder market within the Community; whereas, to this end, provision should be made for the benefit arising from the advance fixing to be granted only after the expiry of a short period following the lodging of the application, during which period the state of the market can be assessed;

[1] OJ No L 142, 30. 5. 1978, p. 1.

Whereas the efficient management of the aid system requires verification to ensure that the aid is granted only for those products which are entitled to it;

Whereas this Regulation is intended to replace Council Regulation (EEC) No 1192/74 of 13 May 1974 on aid for dehydrated fodder [1] which will therefore have to be repealed,

HAS ADOPTED THIS REGULATION:

Article 1

1. The Commission shall determine monthly the average world market price for the products listed in the first indent under (b) in Article 1 of Regulation (EEC) No 1117/78.

2. In determining the price referred to in paragraph 1 the Commission shall take account of all world market offers and of quotations on exchanges which are important for international trade.

3. The Commission shall determine the price referred to in paragraph 1 on the basis of the most favourable genuine purchasing possibilities on the world market, disregarding offers and quotations which cannot be considered representative of actual market trends.

Article 2

In cases where no offer or quotation for the products listed in Article 1 can be used for determining their average world market price the Commission shall determine it from world market offers of the products listed in the second indent under (b) in Article 1 of Regulation (EEC) No 1117/78 and from quotations for these products on exchanges which are important for international trade.

These offers and quotations shall be adjusted to take account of the difference between their value and that of the products referred to in the first indent of Article 1 (b) of Regulation (EEC) No 1117/78.

Article 3

In cases where no offer or quotation for the products referred to in Articles 1 and 2 can be used for determining the average world market price, the Commission shall determine it on the basis of the latest average world market price determined, adjusted in accordance with the trend of prices of the same products originating in the Community and the prices for competing products on the world market.

[1] OJ No L 131, 14. 5. 1974, p. 1.

Article 4

The Commission shall determine the average world market price for a pelleted product delivered in bulk to Rotterdam of the standard quality for which the guide price has been fixed.

The Commission shall make the necessary adjustments for offers and quotations not complying with the conditions set out in the first paragraph.

Article 5

The aids referred to in Articles 3 and 5 of Regulation (EEC) No 1117/78 shall be granted, at the request of the interested party, for dried fodder from processing plants that meets the following requirements:

(a) the maximum moisture content is between 11 and 14 %, variable according to the form of presentation of the product;

(b) the minimum crude protein content in dry matter must not be less than:

— 8 % for the products listed in Article 1 (a) of Regulation (EEC) No 1117/78,

— 13 % for the products listed in Article 1 (b) of Regulation (EEC) No 1117/78,

— 45 % for the products listed in Article 1 (c) of Regulation (EEC) No 1117/78.

However, additional conditions, in particular as regards crude fibre and carotene content, may be adopted in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1117/78.

Article 6

The aids referred to in Articles 3 and 5 of Regulation (EEC) No 1117/78 shall be granted only to those processing plants which:

(a) keep stock accounts which include at least details:

— of the quantities of green, or, if appropriate, sun-dried fodder which is used; however, if the special situation of a processing plant so requires, the quantities may be estimated on the basis of areas sown,

— of the quantities of dried fodder produced and the amount and quality of the dried fodder leaving the plant;

(b) supply, where necessary, other supporting documents required for checking their entitlement to aid.

Article 7

1. When the contracts referred to in the third indent of Article 6 (1) of Regulation (EEC) No 1117/78 are for the purchase of green, or, if appropriate, sun-dried fodder by processing plants they shall state at least :

(a) the price to be paid for this fodder ;

(b) the area the harvest of whose crop is to be delivered to the processing plant ;

(c) the conditions of supply and payment.

2. When, in the case of special-order contracts, the contracts referred to in the third indent of Article 6 (1) of Regulation (EEC) No 1117/78 are only for the processing of fodder supplied by the farmer, they shall include a clause obliging the processing plant to pay the farmer the amount of the aids specified in Articles 3 and 5 of Regulation (EEC) No 1117/78 which it receives for the quantities processed in discharge of the contract.

Article 8

Plants which process their own production or that of their members shall submit each year, to the competent authority of the Member State, by a date to be determined, a declaration of the areas the fodder harvest of which is to be processed.

However, for the products listed under (a) in Article 1 of Regulation (EEC) No 1117/78 the plant concerned shall, before the beginning of each month, notify the competent authority of the Member State of the quantities of potatoes it plans to dehydrate during that month.

Article 9

The amount of the supplementary aid shall be that applying in the month when the dried fodder leaves the processing plant.

However, on request by the interested party, the amount of supplementary aid applying on the day when the application for the certificate referred to in Article 10 was lodged, adjusted where appropriate in accordance with Article 11, shall be used for the quantities of dried fodder mentioned on the certificate that leave the processing plant during the validity of the certificate.

Article 10

1. A Community supplementary aid certificate shall be used for certifying the advance fixing of the rate of the supplementary aid. Certificates shall be issued by each Member State to any processing plant referred to in Article 6 of Regulation (EEC) No 1117/78 which so requests and is situated on its territory.

2. The supplementary aid certificate is valid throughout the Community. However, pending the establishment of a Community form, and at latest until 31 December 1978, the supplementary aid certificate shall only be valid on the territory of the Member State which issued it.

The issue of the certificate shall be subject to the furnishing of a deposit to guarantee that the commitment that the dried fodder will leave the processing plant during the validity of the certificate will be respected. Except in cases of *force majeure*, the deposit shall be wholly or partly forfeited if the fodder does not leave the plant during this period or if it leaves only in part.

The period of validity of supplementary aid certificates shall not exceed 12 months.

3. The period of validity of the supplementary aid certificate and the other detailed rules for the application of this Article, which may lay down in particular a time limit for the issue of certificates, shall be adopted in accordance with the procedure provided for in Article 12 of Regulation (EEC) No 1117/78.

Article 11

If, in cases of advance fixing, forward prices differ from the price applying in the month when the application for the certificate is lodged the amount of the supplementary aid shall be adjusted using a coefficient calculated bearing in mind the forward price trend.

Article 12

1. If the situation on the Community dried fodder market is abnormal, and in particular if the volume of applications for advance fixing of the aid bears no relation to the normal sale pattern for such fodder, a decision may be taken, for certificates not already issued, to suspend advance fixings for the period necessary to re-establish market stability.

2. Suspension of advance fixings shall be decided on in accordance with the procedure provided for in Article 12 of Regulation (EEC) No 1117/78.

However, in case of emergency, the Commission may decide to suspend these advance fixings, in which case the period of suspension may not exceed seven days.

Article 13

1. The Member States shall set up a supervisory system in order to check, for each processing plant, that :

— the conditions set out in the above Articles are met,

— the quantity of dried fodder meeting the minimum quality requirement which leaves the plant corresponds to the quantity for which aid is applied.

2. The dried fodder shall be weighed and samples examined when it leaves the plant.

3. Each Member State shall communicate to the Commission, before they come into force, the provisions which it adopts in order to ensure that the checks provided for in paragraph 1 are made.

Article 14

Member States shall assist one another in applying this Regulation.

Article 15

Regulation (EEC) No 1192/74 is hereby repealed.

Article 16

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

It shall apply from 1 July 1978 ; however, Articles 1 to 4 shall apply from 1 April 1978.

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

Done at Luxembourg, 19 June 1978.

For the Council

The President

P. DALSAGER