COMMISSION REGULATION (EEC) No 1400/79
of 5 July 1979
fixing the amount of the subsidy on oil seeds

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats (1), as last amended by Regulation (EEC) No 590/79 (2), and in particular Article 27 (4) thereof,

Having regard to the opinion of the Monetary Committee,

Whereas Article 27 of Regulation No 136/66/EEC provides that a subsidy should be granted in respect of oil seeds harvested and processed within the Community when the target price for a species of seed is higher than the price on the world market; whereas these provisions at present apply only in respect of colza, rape and sunflower seeds;

Whereas the subsidy on oil seeds should, theoretically, be equal to the difference between those two prices;

Whereas the target price and the monthly increases in the target price for oil seeds for the 1979/80 marketing year were fixed by Regulations (EEC) No 1294/79 (3) and (EEC) No 1295/79 (4); whereas Article 29 of Regulation No 136/66/EEC provides that the world market price, calculated for a Community frontier crossing point, is to be determined on the basis of the most favourable purchasing opportunities, quotations being adjusted where necessary to take account of quotations for competing products;

Whereas Article 4 of Council Regulation No 115/67/EEC of 6 June 1967 laying down criteria for determining world market prices for oil seeds and fixing the frontier crossing point (5) fixed the said crossing point at Rotterdam; whereas Article 1 of that Regulation provides that when the world market price is being determined account should be taken of all offers on the world market known to the Commission and of quotations on those exchanges which are significant for international trade; whereas Article 2 of Commission Regulation No 225/67/EEC of 28 June 1967 on detailed rules for determining the world market price for oil seeds (6), as last amended by Regulation (EEC) No 1393/79 (7), provides that offers and quotations which do not relate to shipments to be effected within 30 days following the date on which the world market price is determined should be disregarded; whereas offers and quotations which the Commission believes, in view of general price movements or information available to it, not to be representative of the real trend of the market must also be disregarded; whereas offers and quotations relating to quantities of less than 500 tonnes and offers relating to seed of a quality other than that normally acceptable on the world market must also be disregarded;

Whereas Article 3 of Regulation No 225/67/EEC provides that of the offers and quotations taken into consideration, those for delivery c and f should be increased by 0·2 %; whereas offers and quotations for delivery fas, fob or otherwise should be increased, as appropriate, by loading, transport and insurance costs from the point of shipment or loading to the frontier crossing point; whereas cif offers and quotations for frontier crossing points other than Rotterdam should be adjusted to allow for the difference in transport and insurance costs as compared with a product delivered cif Rotterdam; whereas the Commission should take account only of the loading, transport and insurance costs which to its knowledge are the lowest; whereas, finally, offers and quotations for delivery cif Rotterdam should be increased by 0·20 unit of account;

Whereas Article 5 of Regulation No 115/67/EEC provides that the world market price should be determined for seed of the standard quality for which the target price has been fixed, delivered in bulk;

(1) OJ No 172, 30. 9. 1966, p. 3025/66.
(2) OJ No L 78, 30. 3. 1979, p. 1.
(3) OJ No L 162, 30. 6. 1979, p. 13.
(4) OJ No L 162, 30. 6. 1979, p. 14.
(5) OJ No 111, 10. 6. 1967, p. 2196/67.
(6) OJ No 136, 30. 6. 1967, p. 2919/67.
(7) OJ No L 167, 5. 7. 1979, p. 21.

Whereas Article 3 of Regulation No 225/67/EEC provides that offers and quotations relating to products presented otherwise than in bulk should be adjusted by deducting the additional value resulting from that presentation ; whereas offers and quotations relating to a quality other than the standard quality for which the target price was fixed should be adjusted on the basis of the coefficients of equivalence shown in the Annex to that Regulation ; whereas, in the case of offers on the world market for qualities of colza and rape seed other than those listed in that Annex, coefficients of equivalence derived from those listed in that Annex may, pursuant to Article 4 of Regulation No 225/67/EEC, be applied ; whereas, when derived coefficients are being calculated, account must be taken of the differences between prices for the qualities of seed in question and prices for the qualities listed in that Annex, and of the characteristics of these various seeds ;

Whereas Article 2 of Regulation No 115/67/EEC provides that, where no offer or quotation can be used as a basis for determining the world market price, that price should be determined on the basis of the value of the average quantities of oil and oil cake resulting from the processing of 100 kilograms of seed within the Community less an amount corresponding to the cost of processing these seeds into oil and oil cake ; whereas the quantities and costs to be taken into consideration for the purposes of the calculation are fixed in Article 5 of Regulation No 225/67/EEC ; whereas the value of those quantities should be determined in accordance with Article 6 of that Regulation ;

Whereas Article 3 of Regulation No 115/67/EEC provides that, where no offer or quotation can be used as a basis for determining the world market price and where it is, moreover, impossible to establish the value of the oil or oil cake processed from such seed, the world market price should be determined on the basis of the most recent known value for oil or oil cake, adjusted to take account of the trend of world prices for competing products by applying to that value the rules set out in Article 2 of Regulation No 115/67/EEC ; whereas Article 7 of Regulation No 225/67/EEC defines competing products as those oils or oil cakes, as the case may be, which appear to have been offered in the largest quantities on the world market during the period under consideration ;

Whereas Article 6 (1) of Regulation No 115/67/EEC provides that, when the world market price of a type of seed is being determined, the price used should be adjusted by an amount not exceeding the margin between :

— the difference between the price of 100 kilograms of colza, rape or sunflower seeds, plus processing costs, and the total of the prices of the quantities of oil and oil cake resulting from the processing of the type of seed in question, and

— the difference between the price of 100 kilograms of one or more other seeds, plus processing costs, and the total of the prices of the quantities of oil and oil cake resulting from the processing of these seeds ;

Whereas the factors to be taken into consideration for the purpose of determining that margin are defined in Article 8 of Regulation No 225/67/EEC ; whereas no adjustment should be made where the margin is found to be less than 0·50 unit of account ; whereas Article 6 (2) of Regulation No 115/67/EEC provides that, when the amount of the adjustment is being determined, account should be taken of the incidence of the margin in question on marketing operations of Community traders and on the disposal of the various types of seed on the world market ;

Whereas Council Regulation (EEC) No 2114/71 of 28 September 1971 on the subsidy for oil seeds (1), as amended by Regulation (EEC) No 851/78 (2), laid down rules for granting the subsidy on oil seeds ; whereas, under that Regulation, where the subsidy to be granted is fixed in advance, the amount of such subsidy must be equal to the amount applicable on the day on which the application for advance fixing was lodged, adjusted by the difference between the target price valid on that day and the target price valid on the day on which the seeds are placed under control at an oil mill and, where appropriate, a corrective amount ; whereas Article 36 of Commission Regulation (EEC) No 1204/72 of 7 June 1972 laying down detailed rules for the application of the subsidy system for oil seeds (3), as last amended by Regulation (EEC) No 2980/78 (4), provides that such adjustment should involve increasing or reducing the amount of subsidy applicable on the day on which the application was lodged by the difference between the target price valid during the month during which the seeds were placed under control at an oil mill and the target price valid on the day on which the application was lodged ;

Whereas Article 38 of Regulation (EEC) No 1204/72 provides that the corrective amount must be equal to the difference between the world market price for colza, rape and sunflower seeds and the forward price for those seeds valid for a shipment effected during the month in which the seeds were placed under control at an oil mill, those prices being determined in accordance with Articles 1, 4 and 5 of Regulation

(1) OJ No l 222, 2. 10. 1971, p. 2.
(2) OJ No L 116, 28. 4. 1978, p. 4.
(3) OJ No L 133, 10. 6. 1972, p. 1.
(4) OJ No L 355, 19. 12. 1978, p. 17.

115/67/EEC ; whereas, if no offer and no price can be used for such determination, the method of calculation provided for in Article 38 of Regulation (EEC) No 1204/72 should be used ; whereas the above-mentioned difference may be adjusted pursuant to Article 39 of Regulation (EEC) No 1204/72, account being taken of prices for soya seeds on the world market ;

Whereas the subsidy should be fixed whenever the market situation makes it necessary and in such a way as to ensure its being applied at least once a week ; whereas the subsidy may be altered whenever it becomes obvious that such alteration is necessary ;

Whereas, if the subsidy system is to operate normally, subsidies should be calculated on the following basis :

— in the case of currencies which are maintained in relation to each other at any given moment within a band of 2·25 %, a rate of exchange based on their effective parity ;

— for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies recorded for a given period in relation to the Community currencies referred to in the previous indent ;

Whereas Council Regulation (EEC) No 652/79 of 29 March 1979 [1] laid down the coefficient for expressing amounts, fixed in units of account, in ECU ;

Whereas it follows from applying these provisions to the offers and quotations known to the Commission that the subsidy on colza, rape and sunflower seeds should be as set out in the Annex hereto,

HAS ADOPTED THIS REGULATION :

Article 1

The amount of the subsidy referred to in Article 27 of Regulation No 136/66/EEC shall be as set out in the Annex hereto.

Article 2

This Regulation shall enter into force on 6 July 1979.

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

Done at Brussels, 5 July 1979.

For the Commission

Finn GUNDELACH

Vice-President

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[1] OJ No L 84, 4. 4. 1979, p. 1.

ANNEX

to the Commission Regulation of 5 July 1979 fixing the amount of the subsidy on oil seeds

(ECU / 100 kg)

CCT heading No	Description	Subsidy
ex 12.01	Colza and rape seed	13·099
ex 12.01	Sunflower seed	11·576

(ECU / 100 kg)

CCT heading No	Description	Subsidy in the case of advance fixing for the month of					
		July 1979	August 1979	September 1979	October 1979	November 1979	December 1979
ex 12.01	Colza and rape seed	13·099	13·099	13·480	13·861	14·018	14·399
ex 12.01	Sunflower seed	11·576	11·576	9·973	14·977	—	—