COUNCIL REGULATION (EEC) No 1557/79
of 24 July 1979
laying down special measures in the raw tobacco sector in respect of the Perustitza and Erzegovina varieties

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 727/70 of 21 April 1970 on the common organization of the market in raw tobacco (1), as last amended by the Act of Accession, and in particular Article 13 (3) and (4) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas it appears from the report of the Commission provided for in Article 13 (1) of Regulation (EEC) No 727/70 that the quantities of tobacco of the Xanti-Yakà, Perustitza and Erzegovina varieties from the 1976 crop taken over by the intervention agencies are considerably greater than the quantities and the percentage of production fixed by Regulation (EEC) No 1469/70 (4), the threshold which actuates the application of the measures laid down in Article 13 of Regulation (EEC) No 727/70 ; whereas this trend has continued for the 1977 crop ;

Whereas even the prudent prices policy pursued as regards particularly these varieties since the 1974 crop has not led to a reversal in the marketing situation ; whereas it is therefore necessary to have recourse to specific measures ; whereas, of the various possible measures, a lowering of the intervention price appears the most appropriate to re-establish a better balance between production and demand and to reduce stocks ;

Whereas it is evident that the marketing difficulties experienced by the Xanti-Yakà variety may be regarded as being different from those of the Perustitza and Erzegovina varieties and due solely to an exceptional situation ; whereas, furthermore, this variety has not suffered the degradation processes which have affected the quality of the latter two varieties ; whereas, therefore, the measures envisaged should be applied only to the Perustitza and Erzegovina varieties ;

Whereas, in view of the agricultural research programme concerning oriental tobaccos which will be implemented as from the next crop and of the prospects for improvement in the quality of production which will result in the medium term, the measures envisaged should be applied to the next two crops ;

Whereas the measures envisaged have no effect on the level of the premium, thereby allowing producers to obtain the norm price in respect of those quantities which may be sold normally on the market ; whereas, furthermore the increase in earnings per hectare, secured by producers by means of intervention and through the use of a method of cultivation calculated to produce a maximum yield, is to be considered as not resulting from the normal play of market forces ; whereas, therefore, it does not appear warranted to propose a programme of aid in this sector,

HAS ADOPTED THIS REGULATION :

Article 1

For the 1979 and 1980 crops, the intervention price for tobacco of the Perustitza variety and of the Erzegovina variety shall be reduced from 90 to 80 % of the corresponding norm price.

Article 2

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

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

Done at Brussels, 24 July 1979.

For the Council
The President
J. GIBBONS

(1) OJ No L 94, 28. 4. 1970, p. 1.
(2) OJ No C 140, 5. 6. 1979, p. 130.
(3) Opinion delivered on 27 and 28 June 1979 (not yet published in the Official Journal).
(4) OJ No L 164, 27. 7. 1970, p. 35.