COMMISSION REGULATION (EEC) No 998/80

of 22 April 1980

applying at the end of the 1979/80 marketing year a special intervention measure in the form of private storage aid in respect of common wheat of bread-making quality

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals (1), as last amended by Regulation (EEC) No 1547/79 (2), and in particular Article 8 (4) thereof,

Having regard to Council Regulation (EEC) No 878/77 of 26 April 1977 on the exchange rates to be applied in agriculture (3), as last amended by Regulation (EEC) No 779/80 (4),

Whereas Council Regulation (EEC) No 652/79 of 29 March 1979 on the impact of the European monetary system on the common agricultural policy (5), as amended by Regulation (EEC) No 1264/79 (6), introduced the ECU into the common agricultural policy; whereas, since that time, pursuant to existing provisions, the ECU has been used in the fixing of amounts relating to :

— the application of the common agricultural policy,

— the special trade arrangements for goods resulting from the processing of agricultural products ;

Whereas the period of validity of the aforesaid Regulation was in principle limited to 31 March 1980 ; whereas it has not been possible for a prolongation of those arrangements, as proposed by the Commission, to be adopted in time by the Council ; whereas, in order to avoid a break in the arrangements resulting, in particular, in alterations in the level of prices and of other amounts in national currency, it appears necessary, in the manifest public interest, as an interim measure and pending a final decision on the matter by the Council, to continue the application of the arrangements in their present form ;

Whereas there is provision for supporting the production of common wheat of good bread-making quality at the level of the reference price ; whereas provision should also be made for the market prices for common wheat of minimum bread-making quality to be supported, if necessary, on the basis of that reference price ;

Whereas Article 8 (2) of Regulation (EEC) No 2727/75 provides that, where necessitated by the situation on the market in common wheat of bread-making quality, special intervention measures may be adopted with a view to supporting the development of the market therein in relation to the reference price ; whereas Article 4 (2) of Commission Regulation (EEC) No 1629/77 of 20 July 1977 laying down detailed rules of application for special intervention measures to support the development of the market in common wheat of bread-making quality (7), as last amended by Regulation (EEC) No 1543/79 (8), provides that such special measures may consist in the conclusion of a storage contract between the intervention agency and a holder, in consideration of a daily charge and subject to a right on the part of the intervention agency to purchase on the expiry of the contract all or part of the quantity involved ;

Whereas, in view of the present situation and the outlook as regards supplies of common wheat of bread-making quality, there is concern about the state of the market at the end of the 1979/80 marketing year ; whereas the application of such storage measures should be decided in respect of a total quantity of 1 152 000 tonnes ; whereas these should be applied with effect from 1 June 1980 and the detailed rules should be laid down ;

Whereas the minimum bread-making requirements qualifying common wheat for this special measure are those laid down by the Council ; whereas, however, the minimum physical qualities required for the common wheat of bread-making quality in question and the methods for checking implementation of this intervention measure should be laid down ;

Whereas, under Article 4 (2) of Council Regulation (EEC) No 1134/68 (9), sums referred to in the said Article are to be paid on the basis of the conversion rate applicable at the time when the transaction or

(1) OJ No L 281, 1. 11. 1975, p. 1.
(2) OJ No L 188, 26. 7. 1979, p. 1.
(3) OJ No L 106, 29. 4. 1977, p. 27.
(4) OJ No L 85, 29. 3. 1980, p. 45.
(5) OJ No L 84, 4. 4. 1979, p. 1.
(6) OJ No L 161, 29. 6. 1979, p. 1.
(7) OJ No L 181, 21. 7. 1977, p. 26.
(8) OJ No L 187, 25. 7. 1979, p. 7.
(9) OJ No L 188, 1. 8. 1968, p. 1.

part transaction is carried out; whereas, under Article 6 of the the same Regulation, the time when a transaction is carried out shall be considered as being the date on which the event occurs, as defined by Community rules or, in the absence of and pending adoption of such rules, by the rules of the Member State concerned, which gives entitlement to the amount involved in the transaction; whereas, however, by virtue of Article 4 (3) of Regulation (EEC) No 878/77, derogations may be made from the abovementioned provisions;

Whereas, in respect of private storage aid for the sector in question, the rate of exchange to be used for calculating the amount of this aid in national currency, and also the other amounts provided for in this Regulation, should be that obtaining at the time when the storage contract comes to an end;

Whereas the Management Committee for Cereals has not delivered an opinion within the time limit set by its chairman,

HAS ADOPTED THIS REGULATION:

Article 1

1. The intervention agencies of the Member States referred to in paragraph 2 shall conclude with holders of common wheat of bread-making quality who so request storage contracts under the conditions laid down in this Regulation.

2. This special intervention measure shall relate to a total quantity of 1 152 000 tonnes, divided as follows between the Member States:

France	800 000 tonnes
United Kingdom	20 000 tonnes
Belgium	50 000 tonnes
Netherlands	125 000 tonnes
Luxembourg	7 000 tonnes
Federal Republic of Germany	150 000 tonnes

Article 2

1. The special measure provided for in this Regulation shall involve the conclusion of contracts between the intervention agencies of the Member States referred to in Article 1 and holders of common wheat of bread-making quality, under which:

(a) the holders shall undertake to keep in store a specified quantity of common wheat of bread-making quality, at a specified place of storage from 1 June 1980 until 31 October 1980 in respect of the whole quantity, until 30 November 1980 for two-thirds and until 31 December 1980 for the last third;

(b) the intervention agencies shall grant to the holders, on expiry of the longest storage period specified in (a), a daily premium intended to cover the costs of the operation, fixed at a standard rate of 0·07 ECU/tonne.

2. Without prejudice to Article 5, the premium referred to in paragraph 1 (b) shall be granted on the quantity remaining at the place of storage throughout. An amount of 9 ECU per tonne shall be levied in respect of any missing quantity. However, a tolerance of 3 kg per tonne shall be allowed when applying this paragraph.

3. The intervention agencies shall verify the existence of claimants' stocks before signature of the contract and at the end of the period of storage. They shall also carry out all the necessary control measures to ensure that the obligations are complied with.

Article 3

Holders who wish to enter into such contracts must make a written application, which shall have the effect of a firm commitment, to the intervention agencies before 10 May 1980 indicating the quantity in question, which may not be less than 200 tonnes.

Should the total quantities for which holders wish to contract exceed those specified in Article 1 (2), the intervention agencies shall apportion the quantities to be contracted for in proportion to the quantity offered by each holder. In that case the minimum quantity shall be 80 tonnes. Each intervention agency shall notify the holders, before 25 May 1980, of the quantities to be contracted for.

Article 4

1. To qualify for the special intervention measure provided for in this Regulation, common wheat of bread-making quality must be sound, genuine and of merchantable quality within the meaning of paragraph 2 and must satisfy the minimum requirements for bread-making laid down by the Council for the marketing year in question, such compliance being ascertained in accordance with the method for determining the minimum bread-making quality of common wheat laid down by the Commission for the marketing year in question.

2. Common wheat of bread-making quality shall be considered sound, genuine and of merchantable quality if it satisfies the conditions laid down in Article 5 (2) of Regulation (EEC) No 1629/77.

Article 5

The Member States concerned may be authorized, in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75, to terminate in whole or in part, with effect from a date not sooner than 1 November 1980, the obligation provided for in Article 2 (1) (a).

In such case the daily premium referred to in Article 2 (1) (b) shall be granted up to the date fixed for such termination.

For the period from that date until the original term of the contract, compensation at a rate of 0·01 ECU per tonne per day shall be paid to the holder, subject to a maximum of 0·30 ECU per tonne.

Article 6

1. At the end of the storage periods provided for in Article 2 (1) (a) or when contracts are terminated in accordance with Article 5, and after the quality of the common wheat in question has been checked, the holders may be required to sell to the intervention agencies all or part of the quantities stored. Such measure or any measure subsequently re-offering the wheat for sale shall be the subject of a Commission Decision in accordance with the procedure laid down in Article 26 of Council Regulation (EEC) No 2727/75.

The holder shall be entitled, on the expiry of each of the storage periods laid down in Article 2 (1) (a), to sell to the intervention agency all or part of the quantities having been stored.

2. Where paragraph 1 is to be applied, the purchase shall be made at the price applicable to the minimum bread-making quality and under the conditions defined in Articles 1 and 2 of Regulation (EEC) No 2738/75 [1].

Where common wheat of bread-making quality purchased by the intervention agencies pursuant to paragraph 1 differs from the standard quality on which the reference price is based, this price shall be increased or reduced by applying a percentage of the reference price valid at the beginning of the marketing year in accordance with the provisions of paragraphs 3 and 4.

3. Where the moisture content of common wheat of bread-making quality is lower than the moisture content laid down for the standard quality, the price applicable shall be increased by an amount calculated on the basis of the reference price in accordance with the percentages laid down for common wheat in Table 1 of the Annex to Commission Regulation (EEC) No 1570/77 of 11 July 1977 on the price increases and reductions applicable to intervention in cereals [2].

Where the specific weight of common wheat of bread-making quality differs from the specific weight laid down for the standard quality, the increases and reductions to be applied to the reference price shall be as set out below :

Kilograms/hectolitre	*Percentage*
Increases :	
— more than 76·0 — 77·0	0·3
— more than 77·0 — 78·0	0·6
— more than 78·0 — 79·0	0·9
— more than 79·0	1·1
Reductions :	
— less than 74·0 — 73·0	0·75
— less than 73·0 — 72·0	1·25

Where two increases are applicable, only the greater increase shall be applied.

4. Where the percentage of miscellaneous impurities (Schwarzbesatz) exceeds 0·5 %, the reference price shall be reduced by 0·1 % for each additional 0·1 %.

Where the percentage of impurities consisting of grains and the percentage of broken grains together exceed 4 % and the percentage of sprouted grains exceeds 2·5 %, the reference price shall be reduced by 0·05 % for each additional 0·1 %.

Article 7

If, at the end of the storage period, common wheat which has been the subject of the special intervention measure provided for in this Regulation does not meet the quality requirements laid down in Article 4 or possess the minimum physical qualities, the premium referred to in Article 2 (1) (b) shall not be paid in respect of the quantities in question and an amount of 0·03 ECU per tonne per day of storage shall be payable by the holder to the intervention agency concerned in respect of those quantities.

Article 8

The Member States concerned shall keep the Commission informed as to the progress of the operations provided for in this Regulation.

Article 9

The conversion rate to be applied to the various monetary amounts given in this Regulation shall be the representative rate in force on the day when the contract effectively comes to an and.

Article 10

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

(1) OJ No L 281, 1. 11. 1975, p. 49.
(2) OJ No L 174, 14. 7. 1977, p. 18.

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

Done at Brussels, 22 April 1980.

For the Commission

Finn GUNDELACH

Vice-President