COUNCIL REGULATION (EEC) No 1785/81

of 30 June 1981

on the common organization of the markets in the sugar sector

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission (1),

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

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

Whereas the basic provisions concerning the common organization of the markets in sugar and isoglucose have been amended many times since their adoption; whereas these provisions must again be thoroughly amended to take account, in particular, of the forthcoming expiry of the quota provisions for sugar and isoglucose; whereas, therefore, it is essential to redraft the basic provisions concerning these two sectors;

Whereas the operation and development of the common market in agricultural products must be accompanied by the establishment of a common agricultural policy to include, in particular, a common organization of the agricultural markets which may take various forms depending on the product concerned; whereas isoglucose is a direct substitute for liquid sugar obtained from sugar beet or sugar cane ; whereas, therefore, the markets in sugar and isoglucose are closely linked; whereas the situation in the Community in respect of sweeteners is characterized by structural surpluses and any Community decision relating to one of these products inevitably has repercussions on the other; whereas it is therefore necessary to have an organization common to the sugar and isoglucose sectors which takes appropriate account of production features specific to one or the other sector;

Whereas, to ensure that the necessary guarantees in respect of employment and standards of living are maintained for Community growers of sugar beet and sugar cane, provision should be made for measures to stabilize the market in sugar and for this purpose there should be fixed annually a target price for white sugar and, for the areas having no deficit, an intervention price for white sugar, as well as an intervention price for raw sugar, and, for each of the deficit areas, a derived intervention price for white sugar and, should the case arise, for raw sugar; whereas the above objective could be attained by making provision for buying-in by intervention agencies at the intervention prices; whereas, moreover, a compensation system for storage costs for sugar produced both from raw materials of Community origin, including molasses, and preferential sugar could serve the same purpose; whereas these price guarantees given for sugar also benefit sugar syrups and isoglucose, the prices of which are based on those of sugar;

Whereas it is necessary that these regulatory measures should provide guarantees which are fair both to manufacturers and to producers of the basic product; whereas it is therefore appropriate to fix for beet, in addition to a basic price, minimum prices for A beet intended for processing into A sugar and a minimum price for B beet intended for processing into B sugar which must be observed when sugar manufacturers buy beet; whereas it is also appropriate to provide, in the interests of ensuring a fair balance of rights and duties between agricultural manufacturers and producers, the instruments necessary to this end and, in particular, to establish Community outline provisions governing the contractual relations between buyers and sellers of beet and to provide for adequate measures to achieve this object in respect of sugar cane;

Whereas the creation of a Community market for sugar as for isoglucose implies the introduction of a common trading system at the external frontiers of the Community; whereas a trading system including import levies and export refunds tends to stabilize the Community market in preventing, in particular, price fluctuations on the world market from affecting prices for these two products ruling within the Community; whereas, therefore, provision should be made for the

(1) OJ No C 271, 18. 10. 1980, p. 2.
(2) OJ No C 90, 21. 4. 1981, p. 88.
(3) OJ No C 348, 31. 12. 1980, p. 14.

charging of a levy on imports from third countries and for the payment of a refund on exports to such countries which, as regards sugar, would, in either case, cover, with regard to the sugar, the difference between prices ruling inside and outside the Community when world market prices are lower than the Community prices and, with regard to isoglucose, would ensure a certain measure of protection for the Community industry which processes this product;

Whereas, in addition to the above system and to the extent necessary for its proper working, provision should be made for regulating or, when the situation on the market so requires, prohibiting the use of inward processing arrangements;

Whereas, in order to ensure normal supplies to the Community as a whole or to one of its areas, a system of minimum stock would be an effective measure; whereas it is also appropriate, in order to achieve this objective, to lay down provisions which would enable appropriate intervention measures to be taken under certain conditions;

Whereas, in the event of a shortage on the world market pushing up world market prices to a level higher than that of the Community prices, or in the event of difficulties in the normal supplies to the Community as a whole or to one of its areas, appropriate provisions should be laid down in order to avoid in good time a situation where regional surpluses are exported to third countries while an abnormal rise in Community prices makes it impossible to continue to guarantee supplies to consumers at reasonable prices;

Whereas it must be made possible for the competent authorities to keep a constant watch on movements in trade with third countries in order to enable them to assess trends thereof and, where appropriate, to apply such measures provided for in this Regulation as may prove necessary; whereas, to this end, provision should be made for a system of import and export licences, the issue of which is conditional upon the lodging of a deposit as a guarantee that the operation for which the licence is being requested will be carried out;

Whereas the levy system makes it possible to dispense with all other protective measures at the external frontiers of the Community; whereas, however, the common prices and levy machinery may in exceptional circumstances prove defective; whereas, in such cases, so as not to leave the Community market without defence against disturbances which may arise therefrom after the import barriers which existed previously have been removed, the Community should be enabled swiftly to take all necessary measures;

Whereas the reasons which have hitherto led the Community to retain a production quota system for sugar and isoglucose remain valid; whereas, however, changes should be made in that system to take account of recent developments in production and to provide the Community with the instruments necessary to ensure, in a fair yet efficient way, that the producers themselves meet in full the cost of disposing of the surpluses of Community production over consumption; whereas, however, such a system should apply for a limited period only and should be regarded as transitional;

Whereas, for the sugar beet sector, having regard to the implications, in particular of a general nature, for the operation of the common organization of the markets in sugar, application of Council Regulation (EEC) No 1360/78 of 19 June 1978 on producer groups and associations thereof [1] should be postponed for the period during which the production quota arrangements are applied;

Whereas provision should be made, for the establishment of the B quota of each undertaking, that, when an undertaking has benefited from the total or partial transfer of a basic quota pursuant to Regulation (EEC) No 3330/74, account should be taken of the corresponding production realized by the undertaking where the transfer comes from before the operation during the 1975/76 to 1979/80 sugar years;

Whereas it is appropriate to make provision, in the framework of the quota arrangements, for measures which will meet, should the case arise, the restructuring needs of the sugar beet and sugar cane crop sectors, the sugar production sector and the isoglucose production sector both as regards their existing production units and those likely to be created; whereas, to this end, and in view of the complex nature, peculiar to each Member State, of such operations, there are good reasons for giving Member States, in the form of rules and special Community criteria, in addition to the power to allocate the quotas on the basis of sugar producing or isoglucose producing undertakings, the power to amend subsequently the quotas of existing undertakings by

[1] OJ No L 166, 23. 6. 1978, p. 1.

subtracting them from a total amount which may not, however, exceed, for all the periods from 1 July 1981 to 30 June 1986, 10 % of quotas laid down initially according to the criteria concerned, and to reallocate to other undertakings the quantities of quotas withdrawn; whereas, further, there is justification for authorizing the Republic of Italy and the French Republic in respect of its overseas departments, having regard to their respective special situations in the sugar beet crop sector on the one hand and in the sugar cane crop sector on the other, to amend without limits the quotas of undertakings established in these regions where quotas are transferred within these regions on the basis of restructuring plans;

Whereas, since the production quotas allocated to undertakings constitute a means of guaranteeing producers Community prices and an outlet for their production, quota transfers should be made taking into consideration the interests of all the parties concerned and in particular those of sugar beet and sugar cane producers;

Whereas, in order to enable the outlets for sugar and isoglucose on the internal market of the Community to be enlarged, it is further appropriate to afford the possibility of putting out of production, within the meaning of the quota system and under conditions to be laid down, all sugar or isoglucose intended for manufacture, in the Community, of products other than foodstuffs;

Whereas Protocol 7 on ACP sugar containing the text of Protocol 3 on sugar, which appears in the ACP-EEC Convention of Lomé signed on 28 February 1975 and the corresponding declarations annexed to the said Convention, provides for a system of preferential imports of cane sugar into the Community; whereas Council Decision 80/1186/EEC [1] extended the said system to imports of cane sugar originating in the overseas countries and territories; whereas the Agreement between the European Economic Community and the Republic of India on cane sugar [2] established a similar system for certain quantities of cane sugar originating in that country;

Whereas, pursuant to Article 1 of the said Protocol, to Article 1 of the abovementioned Decision, and to Article 1 of the Agreement with India, the implementation of these systems of preferential imports must be carried out within the framework of the common organization of the market in sugar;

Whereas the preferential nature of these systems requires that the import levies provided for in the framework of the common organization of the market in sugar should not apply to imports made under these systems;

Whereas it is necessary to create the means for ensuring that raw cane sugar imported under the said preferential systems can be refined under the most equitable conditions of competition;

Whereas the common organization of the markets in the sugar sector must, at the same time, take appropriate account of the objectives set out in Articles 39 and 110 of the Treaty;

Whereas, in order to facilitate implementation of the provisions of this Regulation, a procedure should be provided for establishing close cooperation between Member States and the Commission within a Management Committee for Sugar;

Whereas the establishment of a Community market for the sugar sector would be jeopardized by the granting of certain aids; whereas, therefore, the provisions of the Treaty which allow the assessment of aids granted by the Member States and the prohibition of those which are incompatible with the common market should be made to apply to sugars; whereas, however, the production of beet and sugar in Italy and that of cane and sugar in the French overseas departments continue to experience difficulties, particularly in the application of modern production techniques or for structural reasons; whereas these crops and their associated manufacturing industries are important for these regions and even essential as regards the economy of the French overseas departments; whereas it is therefore appropriate to authorize the Member States concerned to grant national aids to these sectors and for certain regions of Italy on certain conditions and on a decreasing scale; whereas the situation existing with regard to the interest rate in Italy must be taken into account;

Whereas the transition to the system resulting from this Regulation must be effected as smoothly as possible; whereas, to this end, certain transitional measures may prove necessary and the same need may arise at each changeover from one marketing year to the next or during the same marketing year; whereas, therefore,

[1] OJ No L 361, 31. 12. 1980, p. 1.
[2] OJ No L 190, 23. 7. 1975, p. 36.

provision should be made for the possibility of adopting appropriate measures;

Whereas Community membership of the International Sugar Agreement might require special measures to allow the Community to implement the obligations arising from such membership; whereas, for this purpose, provision should be made for the appropriate measures to be adopted within the framework of this Regulation;

Whereas, pursuant to Articles 2 and 3 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (1), as last amended by Regulation (EEC) No 3509/80 (2), the expenses incurred by the Member States in meeting obligations arising from the application of this Regulation devolve upon the Community;

Whereas Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar (3), as last amended by Regulation (EEC) No 3455/80 (4), Council Regulation (EEC) No 1111/77 of 17 May 1977 laying down common provisions for isoglucose (5), as last amended by Regulation (EEC) No 387/81 (6), and certain provisions of Council Regulation (EEC) No 3331/74 of 19 December 1974 on the allocation and alteration of the basic quotas for sugar (7), as last amended by Regulation (EEC) No 1292/79 (8), should be repealed,

HAS ADOPTED THIS REGULATION:

Article 1

1. The common organization of the markets in the sugar sector established by this Regulation shall cover the following products:

CCT heading No	Description
(a) 17.01	Beet sugar and cane sugar, in solid form
(b) 12.04	Sugar beet, whole or sliced, fresh, dried or powdered; sugar cane
(c) 17.03	Molasses
(d) 17.02 C	Maple sugar and syrup
17.02 D II	Other sugars and syrups (but not including lactose, glucose, malto-dextrine and isoglucose)
17.02 E	Artificial honey, whether or not mixed with natural honey
17.02 F I	Caramel containing in the natural state 50 % or more by weight of sucrose
21.07 F IV	Flavoured or coloured sugar syrups (other than lactose, glucose, malto-dextrine and isoglucose syrups)
(e) 23.03 B I	Beet-pulp, bagasse and other waste of sugar manufacture
(f) 17.02 D I	Isoglucose
(g) 21.07 F III	Flavoured or coloured isoglucose syrups

2. For the purposes of this Regulation:

(a) 'white sugars' means sugars, not flavoured or coloured, containing, in the dry state, 99·5 % or more by weight of sucrose, determined by the polarimetric method;

(b) 'raw sugars' means sugars, not flavoured or coloured, containing, in the dry state, less than 99·5 % by weight of sucrose, determined by the polarimetric method;

(c) 'isoglucose' means the product obtained from glucose or its polymers with a content by weight in the dry state of at least 10 % fructose.

(1) OJ No L 84, 28. 4. 1970, p. 12.
(2) OJ No L 367, 31. 12. 1980, p. 87.
(3) OJ No L 359, 31. 12. 1974, p. 1.
(4) OJ No L 360, 31. 12. 1980, p. 17.
(5) OJ No L 134, 28. 5. 1977, p. 4.
(6) OJ No L 44, 17. 2. 1981, p. 1.
(7) OJ No L 359, 31. 12. 1974, p. 18.
(8) OJ No L 162, 30. 6. 1979, p. 9.

TITLE I

PRICES

Article 2

1. The marketing year for all the products listed in Article 1 shall begin on 1 July and expire on 30 June of the following year.

2. A target price for white sugar shall be fixed each year. This price shall be valid for unpacked white sugar of the standard quality to which the intervention price applies, unpacked, ex-factory, loaded on to a means of transport chosen by the purchaser.

3. The target price for white sugar shall be fixed each year at the same time as the intervention price for white sugar in accordance with the procedure laid down in Article 43 (2) of the Treaty.

Article 3

1. For white sugar there shall be fixed each year:

(a) an intervention price for the non-deficit areas;

(b) a derived intervention price for each of the deficit areas.

2. An intervention price shall be fixed annually for raw sugar. This price shall be calculated on the basis of the intervention price for white sugar taking account of flat-rate amounts for processing and yield.

Where it is necessary to market raw sugar produced in a deficit area, a derived intervention price may be fixed for such sugar.

3. The intervention prices referred to in paragraphs 1 and 2 shall apply to unpacked sugar, ex-factory, loaded on to a means of transport chosen by the purchaser.

They shall be valid for white sugar and for raw sugar of a specified standard quality.

4. The intervention price for white sugar shall be fixed before 1 August for the marketing year beginning on 1 July of the following year, in accordance with the procedure laid down in Article 43 (2) of the Treaty.

In accordance with the same procedure the Council shall specify the standard quality for which this price is valid.

5. The Council, acting by a qualified majority on a proposal from the Commission, shall fix the intervention price for raw sugar and the derived intervention prices each year at the same time as it fixes the intervention price for white sugar.

In accordance with the same procedure the Council shall specify the standard quality for which the intervention price for raw sugar is valid.

Article 4

1. A basic price for beet shall be fixed each year. It shall be valid for a specified delivery stage and a specified standard quality.

2. The basic price for beet referred to in paragraph 1 shall be fixed taking account of the intervention price for white sugar and of fixed values representing:

— the processing margin,

— the yield,

— undertakings' receipts from sales of molasses,

— where appropriate, the cost incurred in delivering beet to undertakings.

3. The basic price for beet shall be fixed in accordance with the procedure laid down in Article 43 (2) of the Treaty at the same time as the intervention price for white sugar.

In accordance with the same procedure the Council shall specify the delivery stage and standard quality for beet.

Article 5

1. There shall be fixed each year at the same time as the intervention price for white sugar a minimum price for A beet and a minimum price for B beet.

These prices shall be valid for the same delivery stage and standard quality as specified for the basic price for beet.

2. The minimum price for A beet shall be equal to 98 % of the basic price for beet.

Subject to Article 28, the minimum price for B beet shall be equal to 68 % of the basic price for beet.

3. For areas for which a derived intervention price for white sugar is fixed, the minimum prices for A beet and B beet shall be increased by an amount equal to the

difference between the derived intervention price for the area in question and the intervention price, such amount being adjusted by the coefficient 1·30.

4. For the purposes of this Regulation, A beet and B beet shall mean all beet processed into A sugar and B sugar, respectively, as defined in Article 24.

5. The Council, acting by a qualified majority on a proposal from the Commission, shall fix the minimum prices for beet.

Article 6

1. Without prejudice to Article 32 and the provisions adopted pursuant to Article 27, sugar manufacturers buying beet:

(a) suitable for processing into sugar, and

(b) intended for processing into sugar,

shall be required to pay at least a minimum price adjusted by price increases or reductions to allow for deviations from the standard quality.

2. The minimum price referred to in paragraph 1 shall correspond:

(a) in the non-deficit areas to:

— the minimum price for A beet, in the case of beet to be processed into A sugar,

— the minimum price for B beet, in the case of beet to be processed into B sugar;

(b) in the deficit areas to:

— the minimum price for A beet adjusted in accordance with Article 5 (3), in the case of beet to be processed into A sugar,

— the minimum price for B beet adjusted in accordance with Article 5 (3), in the case of beet to be processed into B sugar.

3. Detailed rules for the application of this Article and the price increases and reductions shall be adopted in accordance with the procedure laid down in Article 41.

Article 7

1. Agreements within the trade and contracts concluded between buyers and sellers of beet must conform to outline provisions, in particular as regards the conditions governing the purchase, delivery and acceptance of beet and the payment for beet.

2. Conditions for purchasing sugar cane shall be governed by agreements within the trade between Community sugar cane producers and Community sugar manufacturers.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article, and particularly the outline provisions referred to in paragraph 1.

4. If necessary, detailed rules for the application of paragraphs 1 and 2 shall be adopted in accordance with the procedure laid down in Article 41.

5. If there are no agreements within the trade, the Member State in question may, within the framework of this Regulation, take the necessary measures to protect the interests of the parties concerned.

This Member State shall inform the Commission without delay of the measures taken pursuant to the first subparagraph.

6. Regulation (EEC) No 1360/78 shall not apply to sugar beet during the period referred to in Article 23 (1).

Article 8

1. A compensation system for storage costs, comprising flat-rate reimbursement to be financed by means of a levy, shall be provided for under the conditions set out in this Article.

2. Storage costs in respect of:

— white sugar,

— raw sugar,

— syrups obtained prior to the crystallizing stage,

— syrups obtained by dissolving crystallized sugar,

manufactured from beet or cane harvested in the Community shall be reimbursed at a flat rate by the Member States.

Storage costs shall also be reimbursed at a flat rate by the Member States in the case of preferential sugar:

— imported as raw sugar,

— imported as white sugar,

and in respect of:

— white sugar produced by the refining of preferential raw sugar in the Community,

— syrups obtained after the dissolving of preferential sugar in the Community,

— syrups obtained directly from preferential raw sugar in the Community.

The Member States shall, according to the circumstances, impose a levy:

(a) on each sugar manufacturer, as appropriate:

— per unit of weight of sugar produced,

— per unit of weight of the syrups referred to in the first subparagraph produced prior to the crystallizing stage and marketed in their natural state;

(b) on each importer of preferential sugar, per unit of weight of sugar imported and marketed in its natural state;

(c) on each refiner of preferential sugar, per unit of weight of refined sugar, the manufacture of syrups obtained directly from preferential raw sugar being regarded, for the purpose of imposing the levy, as refining.

The amount of the reimbursement shall be the same for the whole Community. This rule shall also apply in respect of the levy applicable in each of the cases referred to in (a), on the one hand, and (b) and (c) on the other hand.

3. Paragraph 2 shall not apply to flavoured or coloured sugars falling within heading No 17.01 or to flavoured or coloured syrups falling within subheading 21.07 F IV of the Common Customs Tariff.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall:

(a) adopt the general rules for the application of this Article;

(b) fix the reimbursement amount simultaneously with the derived intervention prices.

5. The amount of the levy shall be fixed each year in accordance with the procedure laid down in Article 41. The other detailed rules for the application of this Article shall be adopted according to the same procedure.

Article 9

1. Throughout the marketing year the intervention agency designated by each sugar-producing Member State shall be required, on conditions to be determined in accordance with paragraphs 5 and 6, to buy in any white and raw sugar offered to it which has been manufactured from beet and cane harvested in the Community in so far as there exist prior storage contracts between the offerors and such agency for the sugar in question.

Intervention agencies shall buy in at the intervention price or the derived intervention price, as the case may be, valid for the area in which the sugar is situated at the time of purchase. If the quality of the sugar differs from the standard quality for which the intervention price was fixed, then this price shall be adjusted by means of increases or reductions.

2. It may be decided to grant premiums for sugar which is in one of the situations referred to in Article 9 (2) of the Treaty and which is rendered unfit for human consumption.

3. It may be decided to grant production refunds on the products listed in Article 1 (1) (a) and (f) and on the syrups listed in Article 1 (1) (d) which are in one of the situations referred to in Article 9 (2) of the Treaty and which are used in the manufacture of certain products of the chemical industry.

4. Appropriate measures shall be taken in order to permit the sugars produced in the French overseas departments to be marketed in the European regions of the Community.

5. The Council, acting by a qualified majority on a proposal from the Commission, shall determine the general rules for the application of the preceding paragraphs and the products of the chemical industry referred to in paragraph 3.

6. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41 and shall deal in particular with:

— the minimum quality and quantity requirements on intervention,

— the price increases and reductions applicable on intervention,

— the procedures and conditions for taking-over by intervention agencies,

— the conditions for granting premiums and the amounts of such premiums,

— the conditions for granting production refunds and the amounts of such refunds.

Article 10

1. In order to help guarantee supplies to the entire Community or to one of its regions, the Council, acting by a qualified majority on a proposal from the Commission, shall decide upon the conditions under which special intervention measures may be taken where Article 18 is applied.

However, such measures may not result in Community sugar manufacturers being obliged to sell sugar to intervention agencies.

2. The nature and application of such intervention measures shall be decided upon in accordance with the procedure laid down in Article 41.

Article 11

1. Intervention agencies may sell sugar only at a price which is higher than the intervention price.

It may, however, be decided that intervention agencies may sell sugar at a price equal to or lower than the intervention price if the sugar is intended:

— for animal feeding, or

— for export, either in the natural state or after processing into the products listed in Annex II to the Treaty or into the products listed in Annex I to this Regulation.

2. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the sale of products which have been the subject of intervention measures.

3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

Article 12

1. In order to ensure normal supplies to the Community as a whole or to one of its areas, there shall be a standing obligation to maintain, in the European territory of the Community, minimum stocks:

(a) of beet sugar produced in the Community;

(b) of cane sugar produced in the French overseas departments and of the preferential sugar referred to in Article 33.

This minimum stock of the sugar referred to in (a) above shall, on a fixed date, be equal to a percentage of the A quota of each sugar-producing undertaking or to the same percentage of its production of A sugar where this is less than its A quota.

The percentage fixed may be reduced.

The minimum stock of the sugar referred to in the first subparagraph under (b) shall be equal to a percentage of the quantity of sugar in question refined by an undertaking over a fixed period.

2. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article and, in particular, shall fix the date and the percentage referred to in the second subparagraph of paragraph 1 and the percentage and the period of referred to in the fourth subparagraph of paragraph 1.

In accordance with the same procedure, an obligation equivalent to the obligation to maintain a minimum stock may be laid down for the product referred to in Article 1 (1) (f).

3. Detailed rules for the application of this Article and, in particular, the reduction of the percentage referred to in the third subparagraph of paragraph 1 shall be adopted in accordance with the procedure laid down in Article 41.

TITLE II

TRADE WITH THIRD COUNTRIES

Article 13

1. All imports into and exports out of the Community of the products listed in Article 1 (1) (a), (b), (c), (d), (f) and (g) shall be conditional upon the presentation of an import licence or an export licence issued by the Member States to any applicant irrespective of the place of his establishment in the Community.

Where a levy or a refund is fixed in advance, the advance fixing shall be noted on the licence which shall serve as a supporting document for such advance fixing.

The licence shall be valid throughout the Community.

The issue of a licence shall be conditional upon the lodging of a deposit which will guarantee that importation or exportation will be effected during the period of validity of the licence and which will be forfeit in whole or in part if the transaction is not effected, or is only partially effected, within that period.

2. The system provided for in this Article may be extended to the products listed in Article 1 (1) (e) in accordance with the procedure laid down in Article 41. The period of validity of licences and other detailed rules for the application of this Article, which may, in particular, lay down a time limit for the issue of licences, shall be adopted in accordance with the same procedure.

Article 14

1. A Community threshold price shall be fixed annually for each of the following products: white sugar, raw sugar and molasses.

2. The threshold price for white sugar shall be equal to the target price plus the costs, calculated at a flat rate, of transport from the Community area having the largest surplus to the most distant deficit consumption area in the Community, plus a flat-rate amount which takes into account the levy referred to in Article 8 for the marketing year in question. The threshold price shall apply to the same standard quality as that specified for the intervention price for white sugar.

3. The threshold price for raw sugar shall be derived from that for white sugar, taking account of flat-rate amounts for processing and yield. The threshold price shall apply to the same standard quality as that specified for the intervention price for raw sugar.

4. The threshold price for molasses shall be fixed so that the receipts from sales of molasses can reach the level of those undertakings' receipts which are taken into account pursuant to Article 4 when the basic price for beet is being fixed. It shall apply to a standard quality.

5. The Council, acting by a qualified majority on a proposal from the Commission, shall fix each year the threshold prices for the products referred to in paragraph 1 at the same time as the intervention price for white sugar.

6. The standard quality of molasses shall be specified in accordance with the procedure laid down in Article 41.

Article 15

1. A cif price shall be calculated for a Community frontier crossing point for white sugar, raw sugar and molasses. This price shall be calculated on the basis of the most-favourable purchasing opportunities for each product on the world market, based on quotations or prices on that market, as adjusted to allow for any deviations from the standard quality to which the threshold price applies.

2. Where free quotations on the world market are not a factor determining the offer price and where that price is less than world market prices, a special cif price calculated on the basis of the offer price and applicable solely to the imports in question shall be substituted for the cif price.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall determine the frontier crossing point concerned.

4. Detailed rules for calculating the cif prices shall be adopted in accordance with the procedure laid down in Article 41. The adjustments referred to in paragraph 1 shall be fixed in accordance with the same procedure.

Article 16

1. A levy shall be charged on imports of the products listed in Article 1 (1) (a), (b), (c), (d), (f) and (g).

2. The levies on white sugar, raw sugar and molasses shall be equal to the threshold price minus the cif price. For flavoured and coloured sugars obtained from white sugar or raw sugar the levy on white sugar shall apply.

3. The levy on raw sugar shall, where necessary, be adjusted according to the yield. The levy on raw sugar imported for purposes other than refining shall be the levy on white sugar if the latter is higher than the levy on raw sugar. If the levy on white sugar is higher than the levy on raw sugar then raw sugar imported for refining shall be subject to customs control or to an administrative check offering equivalent guarantees.

4. The levy on the products listed in Article 1 (1) (b) shall be calculated as a flat rate on the basis of the

sucrose content of each of these products and the levy on white sugar.

For purposes other than the manufacture of sugar, partial exemption from the import levy may be allowed as a temporary measure in special cases in accordance with the procedure laid down in Article 41.

5. The levy on the products listed in Article 1 (1) (d) shall be calculated, where appropriate, as a flat rate on the basis of the sucrose content (including other sugars expressed as sucrose) of the product concerned and the levy on white sugar.

The levies applicable to maple sugar and to maple syrup falling within heading No 17.02 of the Common Customs Tariff shall, however, be limited to the amount resulting from the application of the duty bound within GATT.

6. The levy on the products listed in Article 1 (1) (f) and (g) shall comprise a variable element and a fixed element. The variable element, per 100 kilograms of dry matter, shall be equal to one hundred times the basic import levy fixed pursuant to paragraph 5 and shall be applicable as from the first of each month.

The fixed element, per 100 kilograms of dry matter, shall be equal to one-tenth of the fixed element established pursuant to point B of Article 14 (1) of Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market for cereals [1], as last amended by Regulation (EEC) No 1784/81 [2], for the fixing of the import levy on the products falling within subheading 17.02 B II of the Common Customs Tariff.

7. Detailed rules for the application of this Article, in particular the margin within which the variations in the factors used for calculating the levy do not require any adjustment of the levy, shall be adopted in accordance with the procedure laid down in Article 41.

8. The levies referred to in this Article shall be fixed by the Commission.

Article 17

1. The levy to be charged shall be that applicable on the day of importation.

2. The levy may, however, be fixed in advance for imports of the products listed in Article 1 (1) (a) and (c).

In that event, the levy applicable on the day on which the application for the licence is lodged, adjusted on the basis of the threshold price in force on the day of importation, shall be applied to imports to be effected during the period of validity of the licence provided that the person concerned so requests when applying for the licence. Any premium to be added to the levy may be fixed at the same time as the levy.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article ; it shall, in particular, determine the conditions on which advance fixing can take place and the rules for fixing premiums.

4. Where the conditions referred to in paragraph 3 are fulfilled, a decision to apply the system provided for in paragraph 2 shall be taken in accordance with the procedure laid down in Article 41. Where these conditions are no longer fulfilled, the decision shall be revoked in accordance with the same procedure.

It may be decided in accordance with the same procedure that the system provided for in paragraph 2 shall apply in whole or in part to each of the products listed in Article 1 (1) (d), (f) and (g).

5. Detailed rules for advance fixing of the levy shall be adopted in accordance with the procedure laid down in Article 41.

6. Premiums shall be fixed by the Commission.

7. Where an examination of the market situation shows that there are difficulties due to the application of the provisions concerning the advance fixing of the levy, or that such difficulties could arise, a decision may be taken in accordance with the procedure laid down in Article 41 to suspend the application of these provisions for the period strictly necessary.

In cases of extreme urgency the Commission may, after examining the situation, decide on the basis of all the information available to it to suspend advance fixing for a maximum of three working days. Applications for licences, accompanied by applications for advance fixing, lodged during the period of suspension shall be rejected.

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[1] OJ No L 281, 1. 11. 1975, p. 1.
[2] See page 1 of this Official Journal.

Article 18

1. When the world market price of sugar exceeds the Community's intervention price provision may be made for charging a levy on exports of the sugar in question. This levy must be introduced when the cif price for white sugar or raw sugar is higher than the corresponding threshold price.

Save as otherwise provided by the Council in accordance with the procedure laid down in paragraph 3, the levy to be charged shall be that applicable on the day of exportation.

2. When the cif price for white sugar or raw sugar is higher than the corresponding threshold price, it may be decided to grant a subsidy for imports of the product in question.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of paragraphs 1 and 2.

4. For the products listed in Article 1 (1) (b), (c), (d), (f) and (g), provisions corresponding to those of paragraphs 1 and 2 and to the rules for their application may be adopted in accordance with the procedure laid down in Article 41.

5. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

6. The levies resulting from the application of this Article shall be fixed by the Commission.

Article 19

1. To the extent necessary to enable the products listed in Article 1 (1) (a), (c) and (d) to be exported in the natural state or in the form of goods listed in Annex I to this Regulation on the basis of quotations or prices on the world market for the products listed in Article 1 (1) (a) and (c), the difference between those quotations or prices and prices within the Community may be covered by an export refund.

The refund for raw sugar shall not exceed the refund for white sugar.

2. A refund may be provided for the products listed in Article 1 (1) (f) and (g) which are exported in the natural state or in the form of goods listed in Annex I to this Regulation.

The level of such refund, per 100 kilograms of dry matter, shall be determined taking into account, in particular, the following:

(a) the refund applicable to the export of products falling within subheading 17.02 B II a) of the Common Customs Tariff;

(b) the refund applicable to the export of products listed in Article 1 (1) (d);

(c) the economic aspects of the exports in question.

3. When the refund is being fixed, particular account shall be taken of the need to establish a balance between the use of Community basic products in the manufacture of processed goods for export to third countries and the use of the products of such countries brought in under inward processing arrangements.

The refund shall be the same for the whole of the Community. It may be varied according to destination.

The refund shall be granted at the request of the person concerned.

The refund to be applied shall be that valid on the day on which the export takes place.

Advance fixing of the refund may be decided upon in accordance with the procedure laid down in Article 41.

4. Refunds shall be fixed in accordance with the procedure laid down in Article 41 :

(a) periodically, or

(b) by means of tenders.

If necessary, refunds which are fixed periodically may be modified in the interval by the Commission acting at the request of a Member State or on its own initiative.

5. When an examination of the market situation shows that there are difficulties due to the application of the provisions concerning the advance fixing of the refund, or that such difficulties could arise, a decision may be taken in accordance with the procedure laid down in Article 41 to suspend the application of these provisions for the period strictly necessary.

In a case of extreme urgency the Commission may, after examining the situation, decide, on the basis of all the information available to it, to suspend advance fixing for the products in question for a maximum period of three working days. Applications for licences, accompanied by applications for advance fixing, lodged during the period of suspension shall be rejected.

6. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article.

7. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

Article 20

To the extent necessary for the proper functioning of the common organization of the markets in the sugar sector the Council, acting by a qualified majority on a proposal from the Commission, may prohibit, totally or partially, the use of inward processing arrangements in respect of:

— the products listed in Article 1 (1) (a) and (d), and, in special cases,

— the products listed in Article 1 (1) which are intended for the manufacture of the goods listed in Annex I.

Article 21

1. The general rules for the interpretation of the Common Customs Tariff and the special rules for its application shall apply to the tariff classification of the products covered by this Regulation; the tariff nomenclature resulting from the application of this Regulation shall be incorporated in the Common Customs Tariff.

2. Save as otherwise provided in this Regulation or where derogation therefrom is decided upon by the Council acting by a qualified majority or a proposal from the Commission, the following shall be prohibited:

— the levying of any customs duty on the products listed in Article 1 (1) (a) to (d), (f) and (g),

— the levying of any charge having an effect equivalent to a customs duty,

— the application of any quantitative restriction or any measure having an equivalent effect.

The restriction of import and export licences to a specified category of those entitled to receive them shall be one of the measures considered as having an effect equivalent to a quantitative restriction.

Article 22

1. If by reason of imports or exports the Community market in one or more of the products listed in Article 1 (1) experiences, or is threatened with, serious disturbances likely to endanger the objectives set out in Article 39 of the Treaty, appropriate measures may be applied in trade with third countries until such disturbance or threat of disturbance has ceased to exist.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt detailed rules for the application of this paragraph and shall define the cases in which, and the limits within which, the Member States may take protective measures.

2. If the situation referred to in paragraph 1 arises, the Commission shall, at the request of a Member State or on its own initiative, decide upon the necessary measures which shall then be communicated to the Member States and shall be immediately applicable.

If the Commission receives a request from a Member State it shall take a decision thereon within 24 hours of receipt of the request.

3. The measures decided upon by the Commission may be referred to the Council by any Member State within a period of three working days following the day on which they were communicated. The Council shall meet without delay. Acting by a qualified majority it may either amend or repeal the measures in question.

TITLE III

QUOTAS

Article 23

1. Articles 24 to 32 shall apply in respect of the marketing years 1981/82 to 1985/86.

2. The Council, acting in accordance with the procedure laid down in Article 43 (2) of the Treaty, shall adopt before 1 November 1985 the arrangements to be applied with effect from 1 July 1986.

Article 24

1. Member States shall, under the conditions of this Title, allocate an A quota and a B quota to each sugar-producing undertaking and each isoglucose-producing undertaking established in their territory which either had, during the period 1 July 1980 to 30 June 1981, a basic quota as defined, as the case may be, in Regulation (EEC) No 3330/70 or in Regulation (EEC) No 1111/77, or, as concerns Greece, produced sugar or isoglucose during the said period.

For the purposes of this Regulation:

(a) 'A sugar' and 'A isoglucose' mean any quantity of sugar or isoglucose the production of which is attributable to a specific marketing year and which is produced by the undertaking concerned within its A quota;

(b) 'B sugar' and 'B isoglucose' mean any quantity of sugar or isoglucose the production of which is

attributable to a specific marketing year and which is produced by the undertaking concerned outside its A quota but within the sum of its A and B quotas;

(c) 'C sugar' and 'C isoglucose' mean any quantity of sugar or isoglucose the production of which is attributable to a specific marketing year and which is produced by the undertaking concerned outside the sum of its A and B quotas.

2. For the allocation of the A and B quotas referred to in paragraph 1, the basic quantities shall be as follows:

I. Basic quantities A

Region	(a) Basic quantity A for sugar (1)	(b) Basic quantity A for isoglucose (2)
Denmark	328 000·0	—
Germany	1 990 000·0	28 882·0
France (metropolitan)	2 530 000·0	15 887·0
French overseas departments	466 000·0	—
Greece	290 000·0	10 522·0
Ireland	182 000·0	—
Italy	1 320 000·0	16 569·0
Netherlands	690 000·0	7 426·0
Belgium/Luxembourg	680 000·0	56 667·0
United Kingdom	1 040 000·0	21 696·0

II. Basic quantities B

Region	(a) Basic quantity B for sugar (1)	(b) Basic quantity B for isoglucose (2)
Denmark	96 629·3	—
Germany	612 312·9	6 802·0
France (metropolitan)	759 232·8	4 135·0
French overseas departments	46 600·0	—
Greece	29 000·0	2 478·0
Ireland	18 200·0	—
Italy	248 250·0	3 902·0
Netherlands	182 000·0	1 749·0
Belgium/Luxembourg	146 000·0	15 583·0
United Kingdom	104 000·0	5 787·0

(1) In tonnes of white sugar.
(2) In tonnes of dry matter.

3. The A quota of each sugar-producing undertaking and isoglucose-producing undertaking shall be equal to the basic quota allocated to it for the period 1 July 1980 to 30 June 1981.

However, in respect of the sugar-producing undertakings situated in:

(a) Italy, the basic reference quota shall be adjusted by a coefficient representing the ratio between the basic quantity fixed for Italy in I (a) of paragraph 2 and the sum of the basic quotas referred to in the first subparagraph allocated by that Member State;

(b) Greece, the A quota of the sugar-producing undertaking shall be equal to the basic quantity fixed in I (a) of paragraph 2 for Greece.

Further, as regards the two isoglucose-producing undertakings situated in Greece, the basic quantity fixed in I (b) of paragraph 2 shall be apportioned as follows:

— the A quota of the undertaking which started isoglucose production before 1 January 1981 shall be equal to 6·377 tonnes of dry matter,

— the A quota of the undertaking which started isoglucose production after 1 January 1981 shall be equal to 4·145 tonnes of dry matter.

4. The B quota of each sugar-producing undertaking shall be determined on the basis of its production outside its basic quota but within its maximum quota and recorded as such, pursuant to Regulation (EEC) No 3330/74, in each of the marketing years 1975/76 to 1979/80. For the purpose of this recording, if an undertaking benefited from the partial or total transfer to it of the basic quota of another undertaking then the corresponding production of the latter undertaking achieved during the abovementioned marketing years and before the transfer became effective shall be regarded as production by the undertaking which benefited from the transfer. The B quota of the undertaking shall be equal to the average of the three highest annual productions recorded in the abovementioned marketing years.

Nevertheless, subject to Article 25:

(a) without prejudice to the provisions under (b), the B quota of an undertaking shall not be less than 10 % of its basic quota referred to in the first subparagraph of paragraph 3, and the B quota of the undertaking situated in Greece shall not be less than 10 % of its A quota;

(b) if the sum of the B quotas determined by the application of the first subparagraph and of the provisions in (a) is not equal to the quantity specified in II (b) of paragraph 2 for the region concerned then such B quotas shall be adjusted by a coefficient representing the ratio between the said sum and the corresponding specified quantity;

(c) the B quota of each sugar-producing undertaking established in the Member States which has applied the provisions of Article 32 of Regulation (EEC) No 3330/74 shall be determined taking into account the production of the undertaking effected over and above its basic quota during the period referred to in the first subparagraph without the sum of the B quotas thus determined exceeding the basic B quantity in question fixed in II (a) of paragraph 2.

5. The B quota of each isoglucose-producing undertaking shall be equal to 23·55 % of its A quota as determined in accordance with, as the case may be, the first or third subparagraph of paragraph 3.

For each undertaking other than those referred to in the third subparagraph of paragraph 3, however, the B quota shall not be less than its production of isoglucose during the period 1 July 1979 to 30 June 1980 outside its basic quota but within its maximum quota.

6. The Council, acting by a qualified majority on a proposal from the Commission, shall, where necessary, specify a standard quality for isoglucose and the criteria for a system for converting the quantities produced into quantities of that standard quality.

7. Before 1 January 1984, and on the basis of a report by the Commission, the Council shall examine the supply situation on the world market and if necessary shall, in accordance with the procedure laid down in Article 43 (2) of the Treaty, revise the A and B quotas.

8. As necessary, detailed rules for the application of this Article, and in particular those concerning the conversion system referred to in paragraph 6, shall be adopted in accordance with the procedure laid down in Article 41.

Article 25

1. Member States may transfer A quotas and B quotas between undertakings under the conditions laid down in this Article, taking into consideration the interests of each of the parties concerned and in particular those of sugar beet producers or sugar cane producers.

2. Member States may reduce the A quota and the B quota of each sugar-producing undertaking or each isoglucose-producing undertaking situated in their territories by a total quantity not exceeding, for the period referred to in Article 23 (1), 10 % of the A quota or of the B quota, as the case may be, fixed for each of them in accordance with Article 24.

The limit of 10 % referred to in the first subparagraph shall not apply in Italy or in the French overseas departments in cases where the transfer of quotas is made on the basis of restructuring plans in the beet, cane and sugar manufacturing sectors in the region concerned and to the extent necessary to permit such plans to be implemented.

The restructuring plans and the ensuing measures affecting the A and B quotas shall be communicated to the Commission without delay.

3. The withdrawn quantities of A quotas and B quotas shall be allocated by the Member States to one or more other undertakings, whether or not in possession of a quota, situated in the same region within the meaning of Article 24 (2) excluding the undertakings from which these quantities were withdrawn.

Nevertheless, the French Republic may reduce by a quantity not exceeding 30 000 tonnes of white sugar in

total the A quotas, fixed in accordance with Article 24, of undertakings situated in its overseas departments, and may reallocate the quantities thus withdrawn to one or more other undertakings situated in metropolitan France. After reduction the A quota of each undertaking concerned may not be less than the average of its sugar production within the limit of its basic quota recorded for such undertaking in each of the marketing years 1977/78 to 1979/80 within the meaning of Regulation (EEC) No 3330/74.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules concerning the adjustment of quotas, in particular where this results from the amalgamation of transfer of undertakings.

5. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

Article 26

1. Subject to paragraph 2, C sugar which is not carried forward pursuant to Article 27 and C isoglucose may not be disposed of on the Community's internal market and must be exported in the natural state before 1 January following the end of the marketing year in question.

Articles 8, 9, 18 and 19 shall not apply to this sugar or Articles 18 and 19 to this isoglucose.

2. Exceptionally, and to the extent necessary to guarantee the Community's sugar supplies, it may be decided that Article 18 shall apply to C sugar. In that event it shall be decided at the same time that the entire quantity of the C sugar in question may finally be disposed of on the internal market without the amount laid down in paragraph 3 being levied.

3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

These rules shall provide, in particular, for the levying of a charge on the C sugar and C isoglucose referred to in paragraph 1 in respect of which proof of its export in the natural state within the prescribed period was not furnished at a date to be determined.

Article 27

1. Each undertaking shall be free to decide to carry forward the whole or part of its sugar production outside its 'A' quota to the next marketing year to be treated as part of that year's production. That decision shall be irrevocable.

2. Each undertaking which takes the decision to carry forward referred to in paragraph 1 shall:

— inform the Member State concerned, before 1 February, of the quantity being carried forward, and

— undertake to store this quantity during the period 1 February to 31 January of the following year; for this period storage costs shall be reimbursed under the provisions of Article 8.

For undertakings situated in the French departments of Guadaloupe and Martinique, however, 1 February in the first indent of the first subparagraph shall be replaced by 1 May, and the period 1 February to 31 January of the following year, referred to in the second indent of the same subparagraph, shall be replaced by the period 1 May to 30 April of the following year.

If an undertaking's definitive production in the marketing year concerned was less than the estimate made when the decision to carry forward was taken, then the quantity carried forward may, before 1 August of the next marketing year, be adjusted retroactively.

3. Detailed rules for the application of this Article, which may fix a limit on the quantities of sugar allowed to be carried forward, shall be adopted in accordance with the procedure laid down in Article 41.

These rules shall provide, in particular, for a charge to be levied on any sugar comprising the quantity referred to in the second indent of paragraph 2 which is disposed of during the prescribed period of storage.

Article 28

1. Before the end of the 1981/82 to 1985/86 marketing years, there shall be recorded:

(a) estimates of the production of A and B sugar and of A and B isoglucose attributable to the marketing year in question;

(b) estimates of the quantities of sugar and isoglucose disposed of for consumption within the Community during the marketing year in question;

(c) the exportable surplus obtained by subtracting the quantity referred to in (b) from the quantity referred to in (a);

(d) estimates to the average loss or the average revenue per tonne of sugar for export obligations to be fulfilled during the current marketing year.

This average loss or average revenue shall be equal to the difference between the total amount of refunds and the total amount of levies on the total tonnage of export obligations in question;

(e) estimates of the total loss or the total revenue obtained by multiplying the surplus referred to in (c) by the average loss or the average revenue referred to in (d).

2. Before the end of each of the 1982/83 to 1985/86 marketing years there shall be recorded cumulatively for the 1981/82 to 1984/85 marketing years which precede the year of recording:

(a) the exportable surplus established on the basis of the definitive production of A and B sugar and of A and B isoglucose and the definitive quantity of sugar and isoglucose disposed of for consumption within the Community;

(b) the average loss or average revenue per tonne of sugar resulting from the total export obligations in question determined by following the calculating rule referred to in paragraph 1 (d), second subparagraph;

(c) the total loss or total revenue obtained by multiplying the surplus referred to in (a) by the average loss or the average revenue referred to in (b);

(d) the total sum of the basic production levies and the B levies charged.

The estimated total loss or total revenue referred to in paragraph 1 (e) shall be adjusted on the basis of the difference between the amounts recorded in (c) and (d).

3. When the recorded figures referred to in paragraph 1 result, after adjustment in accordance with paragraph 2, and without prejudice to Article 29 (1), in an estimated overall loss, that loss shall be divided by the estimated production of A and B sugar and A and B isoglucose attributable to the current marketing year. An amount equal to this quotient shall be charged on manufacturers as a basic production levy on their production of A and B sugar and A and B isoglucose.

This levy shall not, however, exceed:

— on the sugar in question, an amount equal to 2·0 % of the intervention price for white sugar, and

— on the isoglucose in question, the share of the basic production levy borne by sugar manufacturers.

4. When the maximum permitted basic production levy does not fully cover the overall loss referred to in the first subparagraph of paragraph 3, the uncovered balance shall be divided by the estimated production of B sugar and B isoglucose attributable to the marketing year in question. An amount equal to this quotient shall be charged on manufacturers as a levy on their production of B sugar and B isoglucose.

Subject to paragraph 5, this levy shall not, however, exceed :

— on B sugar, an amount equal to 30·0 % of the intervention price for white sugar, and

— on B isoglucose, the share of the levy on B sugar borne by sugar manufacturers.

5. When the maximum permitted basic production levy and the maximum permitted B levy do not fully cover the overall loss referred to in the first subparagraph of paragraph 3, the maximum percentage referred to in the first indent of the second subparagraph of paragraph 4 shall be adjusted within a limit which would enable such percentage to be increased up to 37·5 %. The percentage referred to in the second subparagraph of Article 5 (2) shall be revised as a result of this adjustment.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the revised percentages referred to in the first subparagraph. These revised percentages shall apply in the marketing year immediately following that in which the balance of uncovered losses was recorded.

6. The levies shall be imposed by the Member States.

7. Detailed rules for the application of this Article, and the amounts of the levies, shall be adopted in accordance with the procedure laid down in Article 41.

Article 29

1. If, in respect of the 1980/81 marketing year, the total losses referred to in Article 27 of Regulation (EEC) No 3330/74:

(a) are not fully covered by the receipts from the production levy, then the uncovered balance shall be added to the estimated overall loss referred to in Article 28 (1) (e) of this Regulation in respect of the 1981/82 marketing year.

For the purpose of calculating this balance and notwithstanding the first subparagraph of Article

27 (2) of Regulation (EEC) No 3330/74, the guaranteed quantity shall be considered as equal to human consumption in the Community during the 1980/81 marketing year expressed as a quantity of white sugar;

(b) as calculated taking account of the second subparagraph of (a), are fewer than the receipts from the production levy, an amount equal to this difference shall, according to the circumstances, be deducted from the estimated total loss or added to the estimated total revenue resulting from the application of Article 28 (1) of this Regulation.

2. When the amount of the basic production levy is less than the maximum amount referred to Article 28 (3) or when the amount of the B levy is less than the maximum amount referred to in paragraph 4 of the said Article, revised, where necessary, in accordance with paragraph 5 thereof, the sugar manufacturers shall be required to pay the beet sellers 60 % of the difference between the maximum amount of the levy in question and the amount of the levy to be charged.

The amount to be paid per tonne of beet shall be fixed for the standard quality.

The price increases and reductions referred to in Article 6 shall apply to this amount.

3. Community sugar manufacturers may require from the sellers of cane produced in the Community the repayment of 60 % of the levy on a quantity of sugar in respect of which the levy concerned is charged.

4. Member States shall ensure, on the basis of the information provided by the sugar manufacturers, that the payment for the beet satisfies the relevant Community provisions.

5. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

Article 30

1. In contracts for the delivery of beet for the manufacture of sugar, beet shall be differentiated according to whether the quantities of sugar to be manufactured from it are:

(a) A sugar;

(b) B sugar;

(c) sugar other than A and B sugars.

For each undertaking, sugar manufacturers shall inform the Member State in which the undertaking concerned produces sugar of the following:

— the quantities of beet referred to under (a) for which pre-sowing contracts were signed and the sugar content on which these contracts were based, and

— the corresponding estimated yield.

The Member States may require additional information.

2. Notwithstanding Article 6 (2) (b) and Article 32, any sugar manufacturer who has not signed pre-sowing delivery contracts for a quantity of beet equal to the A quota at the minimum price for A beet shall be required to pay at least this minimum price for all beet processed into sugar in the undertaking concerned.

3. However, an agreement within the trade may, with the agreement of the Member State concerned, derogate from paragraphs 1 and 2.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article.

5. Detailed rules for the application of this Article, and, if necessary, the criteria to be observed by manufacturers when dividing between beet sellers the beet quantities to be covered by pre-sowing contracts within the meaning of paragraph 1, shall be adopted in accordance with the procedure laid down in Article 41.

Article 31

1. It may be decided that sugar or isoglucose used for the manufacture of certain products shall not be considered as production within the meaning of this Title.

2. The Council, acting by a qualified majority on a proposal from the Commission, shall determine the general rules for the application of paragraph 1 and the products referred to in that paragraph.

3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

Article 32

1. Sugar manufacturers may buy beet intended for the production by the undertaking concerned of C sugar or of the sugar referred to in Article 31 at a price lower than the minimum prices for beet referred to in Article 5 (1).

2. However, in respect of the quantity of beet purchased corresponding to the quantity of sugar:

— disposed of on the internal market, pursuant to Article 26 (3), or

— carried forward to the following marketing year, pursuant to Article 27,

the sugar manufacturers concerned shall, where appropriate, adjust the purchase price so that it is at least equal to the minimum price for A beet.

3. If necessary, detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 41.

TITLE IV

SYSTEM OF PREFERENTIAL IMPORTS

Article 33

Articles 34 to 37 shall apply to cane sugar, raw or white, hereinafter referred to as 'preferential sugar', which falls within heading No 17.01 of the Common Customs Tariff, which originates in the States, countries or territories listed in Annex II, and which is imported into the Community under the provisions of the following:

(a) Protocol 3 on ACP sugar annexed to the ACP-EEC Convention of Lomé, signed on 28 February 1975, and contained in Protocol 7 of the Second ACP-EEC Convention, signed at Lomé on 31 October 1979;

(b) Council Decision 80/1186/EEC; or

(c) the Agreement of 15 July 1975 between the European Economic Community and the Republic of India on cane sugar.

Article 34

Where the quality of preferential sugar purchased by intervention agencies or by other agents appointed by the Community deviates from the standard quality, the guaranteed prices shall be adjusted by means of price increases and reductions.

Article 35

1. The levy provided for in Article 16 shall not apply to imports of preferential sugar.

2. The prohibitions referred to in Article 21 (2) shall not be derogated from in any circumstances in respect of preferential sugar.

Article 36

1. For marketing years 1981/82 to 1983/84 a differential charge shall be made on raw preferential sugar when it is put into free circulation in the Community.

This charge per 100 kilograms of sugar expressed as white sugar shall be, for each marketing year:

— 2·25 ECU in 1981/82,

— 1·50 ECU in 1982/83,

— 0·75 ECU in 1983/84.

2. Notwithstanding paragraph 1:

(a) the charge shall not be made on:

— raw preferential sugar which is not intended for refining and which falls within subheading 17.01 B II of the Common Customs Tariff, or

— raw preferential sugar, other than that referred to in the first indent, which is intended for refining in a refinery and which is subject to the lodging of a deposit equal to the differential charge;

(b) provision may be made for the non-application of the whole of the charge, or part of the charge, to any raw preferential sugar which is imported into regions of the Community to be determined and which is refined in a production unit other than a refinery.

3. For the purposes of this Article 'refinery' means a production unit whose sole activity consists of refining either raw sugar or syrups produced prior to the crystallizing stage.

Article 37

1. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt:

(a) general rules for the application of this Title and, in particular, those for the implementation of the texts referred to in Article 33;

(b) the conditions for the application of Article 36 (2) (b).

2. Detailed rules for the application of this Title shall be adopted in accordance with the procedure laid down in Article 41.

TITLE V

GENERAL PROVISIONS

Article 38

The requisite provisions to prevent the market in sugar being disturbed as a result of an alteration in price levels at the changeover from one marketing year to the next or during the same marketing year may be adopted in accordance with the procedure laid down in Article 41.

Article 39

Member States and the Commission shall communicate to each other the information necessary for implementing this Regulation.

Rules for the communication and distribution of such information shall be adopted in accordance with the procedure laid down in Article 41.

Article 40

1. A Management Committee for Sugar (hereinafter called 'the Committee') shall be established, consisting of representatives of the Member States and presided over by a representative of the Commission.

2. Within the Committee the votes of Member States shall be weighted in accordance with Article 148 (2) of the Treaty. The chairman shall not vote.

Article 41

1. When the procedure laid down in this Article is to be followed, the chairman shall refer the matter to the Committee either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be taken. The Committee shall deliver its opinion on such measures within a time limit to be set by the chairman according to the urgency of the questions under consideration. An opinion shall be adopted by a majority of 45 votes.

3. The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the opinion of the Committee, they shall forthwith be communicated to the Council by the Commission. In that event the Commission may defer application of the measures which it has adopted for not more than one month from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within one month.

Article 42

The Committee may consider any other question referred to it by its chairman either on his own initiative or at the request of the representative of a Member State.

Article 43

Goods listed in Article 1 (1) which are manufactured or obtained from products to which Article 9 (2) and Article 10 (1) of the Treaty do not apply shall not be admitted to free circulation within the Community.

Article 44

Save as otherwise provided in this Regulation, Articles 92, 93 and 94 of the Treaty shall apply to the production of, and trade in, the products listed in Article 1 (1).

Article 45

This Regulation shall be applied so that appropriate account is taken, at the same time, of the objectives set out in Articles 39 and 110 of the Treaty.

Article 46

1. During the 1981/82 to 1985/86 marketing years, the Republic of Italy and the French Republic shall be authorized to grant adaptation aid under the conditions laid down in paragraphs 2 and 3 to producers of sugar beet, producers of sugar cane and, where the case arises, producers of sugar.

2. In Italy the aid referred to in paragraph 1 may be granted only in respect of the quantity of sugar produced within the limit of the A and B quotas of each sugar-producing undertaking.

For the sugar produced:

(a) in central and southern Italy the maximum amount of the aid per 100 kilograms of white sugar may not exceed 23·64 % of the intervention price for white sugar fixed in accordance with (a) of Article 3 (1) for each of the marketing years referred to in paragraph 1;

(b) in northern Italy the maximum amount of the aid shall be determined for each of the marketing years referred to in paragraph 1 by reducing, with effect from the 1981/82 marketing year, the percentage referred to in (a) by 2 percentage points.

3. In France the aid referred to in paragraph 1 may be granted only in respect of a quantity of white sugar produced in the overseas departments not exceeding the basic quantity allocated to those departments as reduced by any quota transfers resulting from the application of the second subparagraph of Article 25 (2). Such aid may not exceed 6·04 ECU per 100 kilograms of sugar expressed as white sugar.

4. In addition, during the 1981/82 to 1985/86 marketing year, the Italian Republic shall be authorized, when the interest rate granted in Italy to the most solvent applicant is higher, by 3 % or more, than the interest rate used to calculate the reimbursement referred to in Article 8, to cover the effect of this difference on the storage costs by a national aid.

Article 47

Should special measures be necessary for the implementation within the framework of this Regulation of obligations arising from Community membership of the International Sugar Agreement, the Council, acting by a qualified majority on a proposal from the Commission, shall adopt such measures, which may derogate from the provisions of this Regulation.

Article 48

Should transitional measures be necessary to facilitate transition to the system established by this Regulation, in particular if the introduction of the new system on the date provided for would give rise to substantial difficulties, such measures shall be adopted in accordance with the procedure laid down in Article 41. They shall be applicable until 30 June 1982 at the latest.

Article 49

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

2. It shall apply with effect from 1 July 1981.

3. Regulations (EEC) No 3330/74 and (EEC) No 1111/77 together with Articles 1 and 2 of Regulation (EEC) No 3331/74 shall be repealed on 30 June 1981.

4. Citations and references to Regulations No 1009/67/EEC, (EEC) No 3330/74 and (EEC) No 1111/77 contained in the Acts adopted in implementation of those Regulations shall be understood as references to this Regulation.

Citations and references to Articles of the said Regulations are to be read in conjunction with the table of equivalence given in Annex III.

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

Done at Luxembourg, 30 June 1981.

For the Council

The President

G. BRAKS

ANNEX I

CCT heading No	Description
13.03	Vegetable saps and extracts; pectic substances, and pectates, agar-agar and other mucilages and thickeners, derived from vegetable products:
	C. Agar-agar and other mucilages and thickeners, derived from vegetable products:
	ex III. Other:
	— Carrageenan
15.11	Glycerol and glycerol lyes:
	B. Other, including synthetic glycerol
17.04	Sugar confectionery, not containing cocoa:
	B. Chewing gum
	C. White chocolate
	D. Other
18.06	Chocolate and other food preparations containing cocoa
19.02	Malt extract; preparations of flour, starch or malt extract, of a kind used as infant food or for dietetic or culinary purposes, containing less than 50 % by weight of cocoa:
	B. Other
19.05	Prepared foods obtained by the swelling or roasting of cereals or cereal products (puffed rice, corn flakes and similar products)
19.08	Pastry, biscuits, cakes and other fine bakers' wares, whether or not containing cocoa in any proportion
ex 21.02	Extracts, essences or concentrates, of coffee, tea or maté and preparations with a basis of those extracts, essences or concentrates
21.04	Sauces; mixed condiments and mixed seasonings
21.06	Natural yeasts (active or inactive); prepared baking powders:
	A. Active natural yeasts:
	II. Bakers' yeast:
	a) Dried
	b) Other
	B. Inactive natural yeasts:
	I. In tablet, cube or similar form, or in immediate packings of a net capacity of 1 kg or less
	II. Other

CCT heading No	Description
ex 21.07	Food preparations not elsewhere specified or included with the exception of flavoured or coloured sugar syrups, falling within subheading 21.07 F
22.02	Lemonade, flavoured spa waters and flavoured aerated waters, and other non-alcoholic beverages, not including fruit and vegetable juices falling within heading No 20.07
22.06	Vermouth, and other wines of fresh grapes flavoured with aromatic extracts
22.09	Spirits (other than those of heading No 22.08); liqueurs and other spirituous beverages; compound alcoholic preparations (known as 'concentrated extracts') for the manufacture of beverages: C. Spirituous beverages: V. Other
29.04	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives: C. Polyhydric alcohols: II. D-Mannitol III. D-Glucitol (sorbitol)
29.15	Polycarboxylic acids and their anhydrides, halides, peroxides and peracids, and their halogenated, sulphonated, nitrated or nitrosated derivatives: A. Acyclic polycarboxylic acids: ex V. Other: — Itaconic acid and its salts and esters
29.16	Carboxylic acids with alcohol, phenol, aldehyde or ketone function and other single or complex oxygen-function carboxylic acids and their anhydrides, halides, peroxides and peracids, and their halogenated, sulphonated, nitrated or nitrosated derivatives: A. Carboxylic acids with alcohol function: I. Lactic acid and its salts and esters III. Tartaric acid and its salts and esters IV. Citric acid and its salts and esters V. Gluconic acid and its salts and esters ex VIII. Other: — Glyceric acid, glycolic acid, saccharic acid, isosaccharic acid, heptasaccharic acid, their salts and esters
29.23	Single or complex oxygen-function amino-compounds: D. Amino-acids: I. Lysine and its esters, and their salts III. Glutamic acid and its salts

CCT heading No	Description
29.35	Heterocyclic compounds; nucleic acids: ex Q. Other: — Intermediate products from the chemical transformation of penicillin into antibiotics falling within subheading 29.44 A or C
29.38	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent: B. Vitamins, unmixed, whether or not in aqueous solution: ex II. Vitamin B_{12} IV. Vitamin C
29.43	Sugars, chemically pure, other than sucrose, glucose and lactose; sugar ethers and sugar esters, and their salts, other than products of heading Nos 29.39, 29.41 and 29.42: ex B. Other: — Laevulose and its salts and esters
29.44	Antibiotics: A. Penicillins C. Other antibiotics
30.03	Medicaments (including veterinary medicaments): A. Not put up in forms or in packings of a kind sold by retail: II. Other: a) Containing penicillin, streptomycin or their derivatives: 1. Containing penicillin, or its derivatives ex b) Other: — Containing antibiotics or derivatives thereof, other than those falling under a)
38.19	Chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included; residual products of the chemical or allied industries, not elsewhere specified or included: Q. Foundry core binders based on synthetic resins T. D-Glucitol (sorbitol), other than that falling within subheading 29.04 C III ex U. Other: — Products obtained from the cracking of D-Glucitol (sorbitol)
39.06	Other high polymers, artificial resins and artificial plastic materials, including alginic acid, its salts and esters; linoxyn: ex B. Other: — Dextrans — Heteropolysaccharides

ANNEX II

States, countries and territories referred to in Article 33

Barbados
Belize
Fiji
Guyana
India
Jamaica
Kenya
Madagascar
Malawi
Mauritius
People's Republic of the Congo
St Kitts-Nevis-Anguilla
Surinam
Swaziland
Tanzania
Trinidad and Tobago
Uganda

ANNEX III

TABLE OF EQUIVALENCE

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