COMMISSION REGULATION (EEC) No 2278/84

of 31 July 1984

on the sale at a fixed price of butter to be exported to certain destinations in the form of ghee and amending Regulation (EEC) No 1687/76

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products (1), as last amended by Regulation (EEC) No 1557/84 (2), and in particular Article 6 (7) thereof,

Having regard to Council Regulation (EEC) No 1223/83 of 20 May 1983 on the exchange rates to be applied in agriculture (3), as last amended by Regulation (EEC) No 855/84 (4), and in particular Article 4 thereof,

Whereas Article 6 of Council Regulation (EEC) No 985/68 of 15 July 1968 laying down general rules for intervention on the market in butter and cream (5), as last amended by Regulation (EEC) No 3521/83 (6), provides that special conditions may be imposed on sales for export to take account of requirements specific to such sales and to guarantee that products will not be diverted from their intended use ;

Whereas the quantity of butter in public storage and the expected rise in this quantity are such that Community processing industries should be allowed to make the maximum use of disposal potential on the world market for butter in all presentations ; whereas in a number of non-member countries there is a demand for pure butter ghee, which competes with a substitute ghee produced from vegetable fat ; whereas if the price of pure butter ghee could be made more competitive additional quantities of butter could be exported in this form without affecting the price of ordinary or normal dehydrated butter ;

Whereas butter in public storage should be made available as a raw material to the processing industry at a reduced price ; whereas certain measures should be introduced to prevent any of the butter sold under this Regulation being put into free circulation in the Community and to prevent butter converted into ghee being used as dehydrated butter ;

Whereas the industry may purchase the butter concerned throughout the Community ; whereas the monetary compensatory amounts should therefore be adjusted in line with selling prices for intervention butter ;

Whereas, in order to guarantee that butter is not diverted from its intended use, some form of control must be exercised from the time that the butter leaves storage until it reaches its destination in the non-member country ; whereas, for the sake of clarity, it should be recalled that the control provisions set out in Commission Regulation (EEC) No 1687/76 (7), as last amended by Regulation (EEC) No 2268/84 (8), are applicable ; whereas the particular nature of this operation makes other control provisions necessary ;

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

HAS ADOPTED THIS REGULATION :

Article 1

Butter purchased under Article 6 (1) of Regulation (EEC) No 804/68 that went into storage before 1 April 1983 shall be offered for sale, under the conditions set out below, for export in the form of pure butter ghee, termed 'ghee' below, to the destinations listed in Annex I.

Article 2

1. The butter shall be sold :

(a) in lots of a minimum of 100 tonnes ;

(1) OJ No L 148, 28. 6. 1968, p. 13.
(2) OJ No L 150, 6. 6. 1984, p. 6.
(3) OJ No L 132, 21. 5. 1983, p. 33.
(4) OJ No L 90, 1. 4. 1984, p. 1.
(5) OJ No L 169, 18. 7. 1968, p. 1.
(6) OJ No L 352, 15. 12. 1983, p. 4.
(7) OJ No L 190, 19. 7. 1976, p. 1.
(8) OJ No L 208, 3. 8. 1984, p. 35.

(b) ex-warehouse at a price equal to the purchase price applied by the intervention agency at the moment of conclusion of the sales contract less 40 ECU per 100 kilograms.

2. Purchase applications reaching the intervention agency on the same day shall be considered to have been lodged at the same time. Should the quantity applied for on any day be greater than that available in a store the intervention agency shall, should a friendly arrangement with the parties concerned not be possible, assign the available quantity by ballot.

Article 3

1. Butter may be purchased only by processors registered for this purpose by the Member State wherein the processing takes place who undertake in writing to respect the terms of this Regulation.

2. Sales contracts shall specify the Member State wherein processing into ghee will take place.

Article 4

1. The intervention agency shall keep up to date and make available to interested parties at their request a list of the coldstores where butter is available for sale and the quantities available.

2. The intervention agency shall make provision for interested parties to examine at their own cost, before conclusion of the sales contract, samples taken from the butter available for sale.

3. Purchasers shall renounce any right of claim concerning the quality and characteristics of the butter sold.

Article 5

1. The intervention agency shall not sell butter unless, at the latest when the sales contract is concluded, a down-payment of 5 ECU per 100 kilograms is made for the total quantity covered by the contract.

2. The purchaser may not remove the butter until :

(a) the balance of the purchase price has been paid ; and

(b) security of 45 ECU per 100 kolograms has been lodged against the processing and exportation of the butter.

Article 6

1. Within 45 days of the day on which the sales contract was concluded the purchaser shall remove the butter. It may be removed in batches of not less than 20 tonnes.

2. Except in cases of *force majeure*, if the purchaser has not removed the butter within the prescribed time limit the sales contract shall be deemed to be annulled and the down-payment for these quantities shall be forfeit.

Article 7

The butter shall be delivered in packaging bearing one of the following indications in letters at least 1 cm high :

— 'Butter for processing into pure butter ghee (Regulation (EEC) No 2278/84)',

— 'Smør til fremstilling af »pure butter ghee« (forordning (EØF) nr. 2278/84)',

— 'Zur Verarbeitung in „pure butter ghee" bestimmte Butter (Verordnung (EWG) Nr. 2278/84)',

— 'Βούτυρο μεταποίηση σε καθαρό βούτυρο ghee [κανονισμός (ΕΟΚ) αριθ. 2278/84]',

— 'Beurre destiné à la transformation en *pure butter ghee* [règlement (CEE) n° 2278/84]',

— 'Burro destinato alla trasformazione in « pure butter ghee » (regolamento (CEE) n. 2278/84)',

— 'Boter voor verwerking tot „pure butter ghee" (Verordening (EEG) nr. 2278/84)'.

Article 8

The butter shall be processed, by the processors specified in Article 3, into concentrated butter containing at least 99,5 % butterfat into which the products indicated in Annex II have been incorporated, as specified therein.

Article 9

The finished product shall be packed in hermetically sealed metal containers with a net content of not more than 2,5 kilograms on which the words 'pure butter ghee' are printed in characters at least 5 mm high.

Article 10

Export formalities shall be completed in the Member State where processing took place within four months following the time limit for removal laid down in Article 6 (1).

Article 11

The following point 24 and footnote thereto are added to part II, 'Products subject to a use and/or destination other than that mentioned under I', of the Annex to Regulation (EEC) No 1687/76 :

'24. Commission Regulation (EEC) No 2278/84 of 31 July 1984 on the sale at a fixed price of butter to be exported to certain destinations in the form of ghee (24) :

(a) On the dispatch of the butter for processing :

— Section 104 :

"For processing and subsequent exportation of the butter (Regulation (EEC) No 2278/84)".

— Section 106 :

The final date for removal of the butter.

(b) On export of the butter ghee :

— Section 104 :

"For export (Regulation (EEC) No 2278/84)".

— Section 106 :

— The final date for removal of the butter, and

— the weight of butter used to produce the quantity of butter ghee entered in section 103.'

(24) OJ No L 209, 4. 8. 1984, p. 8.'

Article 12

Except in cases of *force majeure*, the security mentioned in Article 5 (2) (b) shall be forfeit pro rata with the quantities for which the proof mentioned in Article 13 (4) of Regulation (EEC) No 1687/76 is not furnished within 12 months from the date of acceptance of the export declaration.

Article 13

The monetary compensatory amounts applicable to butter sold and processed under this Regulation shall be those fixed under Regulation (EEC) No 974/71 weighted by a coefficient given in part 5 of Annex I to the Regulation fixing the monetary compensatory amounts.

Article 14

The conversion rate applying for the purposes of this Regulation shall be the representative rate valid on the day the relevant sales contract is concluded.

Article 15

Member States shall notify the Commission by the 10th day of each month, at the latest, of the quantities of butter that during the previous month :

— were the subject of sales contracts under this Regulation,

— were removed from store.

Article 16

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

It shall apply from 3 September 1984.

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

Done at Brussels, 31 July 1984.

For the Commission

Poul DALSAGER

Member of the Commission

ANNEX I

Destinations

— Egypt
— Saudi Arabia
— Oman
— United Arab Emirates
— Bahrain
— Qatar
— Kuwait
— Syria
— Iran
— Iraq
— Jordan
— Lebanon
— Israel
— North Yemen
— South Yemen

ANNEX II

Denaturing formula

To 1 000 kilograms of 99,5 % concentrated butter must be added :

(a) one or more compounds imparting the flavour of ghee, including either :

— at least 100 grams of butyric acid, either pure or as ethyl ester, or

— at least 10 grams of muschetone (2,6-dinitro-3,5-dimethyl-4-acetyl tertiary butylbenzene, $C_{14}H_{18}N_2O_5$ = 294,30).

(b) — 11 kilograms of triglycerides of enanthic (n-heptanoic) acid, at least 95 % pure calculated as triglycerides on the product ready for incorporation, with a maximum acid value of 0,3 %, a saponification number between 385 and 395, and a 95 % minimum content of enanthic acid in the esterified acid part, or

— 150 grams of stigmasterol ($C_{29}H_{48}O$ = Δ5,22-stigmastene-3-beta-ol), at least 95 % pure, calculated on the products ready for incorporation, or

— 170 grams stigmasterol ($C_{29}H_{48}O$ = Δ5,22-stigmastene-3-beta-ol), at least 85 % pure, calculated on the product ready for incorporation, with a maximum of 7,5 % of brassicasterol ($C_{28}H_{46}O$ = Δ5,22-ergostene-3-beta-ol) and with a maximum of 4 % sitosterol ($C_{29}H_{50}O$ = Δ5-stigmastene-3 beta-ol).