COUNCIL REGULATION (EEC) No 2225/86

of 15 July 1986

laying down measures for the marketing of sugar produced in the French overseas departments and for the equalization of the price conditions with preferential raw sugar

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organization of the markets in the sugar sector (1), as last amended by Regulation (EEC) No 934/86 (2), and in particular Articles 9 (5) and 19 (6) thereof,

Having regard to the Commission proposal,

Whereas Article 9 (4) of Regulation (EEC) No 1785/81 lays down that appropriate measures are to be taken on the subject of the transport and storage costs of sugars produced in the French overseas departments, in order to permit those sugars to be marketed in the European regions of the Community;

Whereas, by a Joint Declaration, annexed to the Act of Accession of Spain and Portugal, on supplies to the sugar refining industry in Portugal, it was agreed to take appropriate measures with a view to equalizing the prices of Community raw sugar; whereas, therefore, equalizing should apply to raw cane sugar originating in the French overseas departments with a view to enabling, in particular, Portuguese refineries to be supplied with this sugar under price conditions similar to those obtaining for preferential sugars;

Whereas, under Article 5 (4) of Protocol 7 on ACP sugar annexed to the Third ACP-EEC Convention (3), the guaranteed price is to refer to unpacked sugar cif European ports of the Community for sugar of standard quality;

Whereas the most appropriate measures for achieving the abovementioned objectives consist of the granting of flat-rate Community aids as a form of intervention measure enabling, on the one hand, the marketing in the European regions of the Community of the raw sugar produced by the French overseas departments and, on the other hand, the refining of that sugar in those regions; whereas, having regard to the existence of a uniform price for raw sugar for all the regions of the Community and in order to enable such marketing to take place, it is necessary to provide for aid for the transport of the sugar in question to those regions; whereas furthermore, the supplying of refineries, particularly Portuguese refineries, with sugar of Community origin requires the equalizing of the prices of raw sugar produced in the French overseas departments with that of preferential raw sugar by means of aids for refining with the aim of compensating the effect of the storage levy, after taking account, however, of the reimbursement of storage costs for the part corresponding to the average storage period in refinery;

Whereas the granting of refining aids is justified only for the quantities of raw sugar, originating in the French overseas departments, which are likely to be refined into white sugar in the various European regions of the Community, having regard to the quantities of such sugar available as shown on a balance sheet for the Community itself established on a regular basis; whereas it is equally necessary to take into account the region from which the sugar originates by reason of differences in growing seasons;

Whereas, moreover, as regards preferential raw sugar, where its yield differs from that of the standard quality, a scale of adjustments is applied in international trade which differs from that laid down in the Community rules for raw sugar produced in the Community; whereas, in order to equalize price conditions between these two types of raw sugar, the difference resulting from the application of these two scales should be covered by specific intervention in favour of the refiner of raw sugar produced in the French overseas departments;

Whereas, by reason of the objectives of the intervention measures in question, it is necessary, when an advantage is granted for the refining of preferential sugar in the form of the option to fix in advance the monetary compensatory amounts at the time of importation of that sugar, to provide for a corresponding measure in the form of a supplementary aid for the refining of raw sugar from the French overseas departments; whereas, in order to enable, if applicable, such a measure to be introduced promptly it is necessary to provide for such a measure to be taken in accordance with the procedure referred to in Article 41 of Regulation (EEC) No 1785/81;

Whereas certain provisions should be adopted to assist the transition from the arrangements laid down by Council Regulation (EEC) No 2067/81 of 20 July 1981 laying down measures for the marketing of sugar produced in the French overseas departments (4), to the arrangements laid down by this Regulation,

(1) OJ No L 177, 1. 1. 1981, p. 4.
(2) OJ No L 87, 2. 4. 1986, p. 1.
(3) OJ No L 86, 31. 3. 1986, p. 164.
(4) OJ No L 203, 23. 7. 1981, p. 3.

HAS ADOPTED THIS REGULATION :

Article 1

Flat-rate Community aids for the marketing, in the European regions of the Community, of sugars produced in the French overseas departments shall be granted as an intervention measure under the conditions laid down in Articles 2, 3 and 4.

Article 2

Producers of the sugar referred to in Article 1, delivered European ports of the Community, shall be granted aid consisting of :

(a) a flat-rate amount of 14,56 ECU per tonne of sugar expressed as white sugar, representing the transport costs from the ex factory stage to the fob stage for the 1986/87 marketing year. For each of the following marketing years, this amount shall be adjusted by a coefficient representing the modification increase in the intervention price for white sugar by reference to that in force during the preceding marketing year ; and

(b) a single flat-rate amount to cover the sea transport costs from the fob stage in the French overseas departments to the cif ship's hold stage in European ports of the Community, and the insurance costs covering this transport. This amount shall be equal to the Caribbean-United Kingdom freight element as established by the Freight Committee of the United Terminal Sugar Market Association of London and incorporated in the London Daily Price for sugar and valid on the day on which the bill of lading is completed for the sugar in question.

The aid shall be granted at the request of the producers of the sugar concerned, to be submitted to the competent authorities of the French Republic.

Article 3

1. Without prejudice to paragraph 2, for the sugars referred to in Article 1 which have been refined in a refinery in the European regions of the Community, an aid shall be granted to the undertakings concerned, consisting of :

(a) an amount, laid down for 100 kg of raw sugar of standard quality, equal to the difference between the storage levy referred to in the second subparagraph of Article 8 (2) of Regulation (EEC) No 1785/81 which has actually been collected for the sugar in question and three times the amount of the monthly reimbursement of storage costs referred to in the first subparagraph of Article 8 (2) of that Regulation applicable during the refining of the sugar ; and

(b) for each tenth of a percentage point of yield over 92 %, an amount equal to 0,0387 % of the intervention price for raw sugar for the marketing year during which refining took place.

2. Paragraph 1 shall apply within the limits of the quantities to be determined according to the regions of the Community in which the refining is likely to take place and separately according to the originating French overseas department or departments in question.

The quantities referred to in the first subparagraph shall be determined in accordance with the procedure laid down in Article 41 of Regulation (EEC) No 1785/81 on the basis of a Community supply balance sheet for raw sugar and for their refining in the European regions of the Community concerned.

3. The total amount of the aid referred to in paragraph 1 shall be granted following an application by the undertakings which refined the sugar, to be submitted to the competent authorities of the Member State on whose territory the refining took place.

Article 4

1. The aids referred to in Articles 2 and 3 shall be granted only in respect of the sugar specified in Article 1 for which the bill of lading was drawn up on or after 1 July 1986.

2. Where the bill of lading for the sugar referred to in Article 1 was drawn up before 1 July 1986, Regulation (EEC) No 2067/81 shall remain applicable. Where such is the case, the undertaking concerned must produce the said bill of lading or any other form of proof which the Member State concerned regards as equivalent.

Article 5

1. Where the advance fixing of monetary compensatory amounts in trade with third countries is made applicable to the importation of preferential raw sugar and where this application benefits imports of this sugar, the aid in Article 3 shall be supplemented by a flat-rate amount to be determined, which will re-establish to a corresponding degree the equilibrium in the price conditions for sugar produced in the French overseas departments.

2. The calculation of the flat-rate amount referred to in partagraph 1 shall be made in accordance with the procedure laid down in Article 41 of Regulation (EEC) No 1785/81.

Article 6

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

It shall apply from 1 July 1986 ; however, Article 5 shall apply from 1 April 1986.

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

Done at Brussels, 15 July 1986.

For the Council

The President

M. JOPLING