COUNCIL REGULATION (EEC) No 935/86
of 25 March 1986
amending Regulation (EEC) No 1594/83 on the subsidy for oilseeds

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats [1], as last amended by Regulation (EEC) No 3768/85 [2], and in particular Article 27 (3) thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EEC) No 1594/83 [3] details the principles governing the granting of the subsidy referred to in Article 27 of Regulation No 136/66/EEC;

Whereas the said Regulation specifies the obligations on Member States with regard to taking over responsibility for control of the seed; whereas the period during which the control shall be exercised should be determined by the Council;

Whereas, in the light of experience, it has become apparent that the procedures for identification of the seed require clarification; whereas it is therefore necessary to introduce a two-part Community certificate, one part of which should refer to the identification of the seed and the other part of which should refer to the advance fixing of the subsidy; whereas it is also necessary to define the conditions covering the issue of the said parts of the certificate, in particular the possibility of delaying the issue of the certificate in order to carry out any checks that may be necessary;

Whereas Article 7 (2) of Regulation (EEC) No 1594/83 requires that the price trends for seeds be taken into account when determining the corrective amount for the advance fixing of the subsidy; whereas, however, in the absence of forward world market prices, this corrective amount cannot be accurately determined and it is therefore necessary to fix a level for the corrective amount;

Whereas experience has shown, in the case of an abnormal situation on the Community market for oilseeds, that it is necessary to clarify the conditions for the suspension of the advance fixing of the subsidy,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1594/83 is hereby amended as follows:

1. The following subparagraph shall be added to Article 2 (1):

'The said control shall be exercised from the time the seeds enter the undertaking until they are processed for oil production or incorporated into feedingstuffs or until they leave the undertaking in the unaltered state.'

2. Articles 3 to 8 shall be replaced by the following:

'Article 3

1. For the purposes of this Regulation, "identification" shall mean an act by which the competent agency in the Member State certifies, at the request of the party concerned, that for the quantity of colza, rape and sunflowerseeds that is the subject of the application, the amount of the subsidy to be paid shall be that applicable on the date the application was lodged.

Identification of the seeds shall take place from the time they enter the undertaking in which they are to be processed, and before they are processed, unless otherwise decided according to the procedure provided for in Article 38 of Regulation No 136/66/EEC, in particular as concerns seeds entered during non-working days.

2. At the request of the party concerned, Member States shall identify the seeds.

The amount of the subsidy shall be that which is applicable on the day on which the Member State concerned identifies the seed:

— at the oil mill in which the colza, rape and sunflowerseeds are processed, or

— at the feed mill in which the colza and rape seeds are incorporated.

However, the amount of subsidy applicable on the day on which the application for the advance-fixing part of the certificate referred to in Article 4 was lodged, adjusted in accordance with Article 7, shall be applied, at the request of the party concerned, to seeds identified at the oil mill or the feed mill during the period of validity of the advance-fixing part of the certificate.

Article 4

A two-part Community certificate shall be introduced, one part of which is intended to provide proof that the seeds harvested in the Community have been identified at an oil mill or a feed mill, and the other part of which is intended to certify, where such is the case,

[1] OJ No 172, 30. 9. 1966, p. 3025/66.
[2] OJ No L 362, 31. 12. 1985, p. 8.
[3] OJ No L 163, 22. 6. 1983, p. 44.

that the amount of the subsidy has been fixed in advance. Both parts of the certificate shall be issued by Member States to any applicant concerned, irrespective of the place of his establishment in the Community.

Article 5

The advance-fixing part of the certificate referred to in Article 4 shall be valid throughout the Community.

It shall, subject to Article 8, be issued in the afternoon of the first working day following the day on which the application was lodged.

Moreover, the issue of the advance-fixing part of the certificate shall be subject to the provision of a security to guarantee the obligation to request identification of the seeds in an oil mill or a feed mill situated within the Community during the period of validity of that part of the certificate. The security shall be forfeited in whole or in part if, during that period, such a request is not made or is made only for a part of the quantity concerned.

Article 6

The identification part of the certificate referred to in Article 4 shall be issued by the Member State in which the seeds are placed under control.

Article 7

1. When the subsidy is fixed in advance, the amount of the subsidy applicable on the day on which the application was lodged shall be adjusted on the basis of:

(a) the difference between the target price valid on that same day and that valid on the day on which the seeds are identified at the oil mill or the feed mill, and

(b) if necessary, a corrective amount.

2. The corrective amount referred to in paragraph 1 (b) shall be calculated taking into account price trends for the seeds in question on the world market and also, where appropriate, the difference between the economic advantages accuing from processing these seeds and the economic advantages accuing from processing the main competing seeds.

3. If the forward world market prices cannot be determined, the corrective amount shall be fixed for the month or months in question at a level such that the subsidy is equal to zero.

Article 8

1. In the case of an abnormal situation which results or could result in a disturbance on the Community market for oilseeds, it may be decided to suspend the advance fixing of the subsidy for the period necessary to re-establish the balance in the market.

2. The suspension referred to in paragraph 1 may be extended to the advance-fixing parts of the certificate referred to in Article 4 which have been requested and have not yet been issued in the case:

(a) where there is a material error in the amount of the subsidy which is published;

(b) where certain factors may create a monetary distortion between Member States;

and when these cases may create a discrimination between interested parties.

3. Suspension of advance-fixing shall be decided in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC.

However, in case of emergency, the Commission may decide on this suspension; in such a case, the period of suspension shall not exceed five days.'

3. Article 10 (2) shall be replaced by the following:

'2. The subsidy shall be paid to the holder of the "identification" part of the certificate referred to in Article 4, in the Member State in which the seeds are placed under control:

— in the case of the seeds referred to in paragraph 1 (a), when proof of processing is furnished,

— in the case of the seeds referred to in paragraph 1 (b), when proof of incorporation is furnished.

However, the subsidy may be paid in advance as soon as the seeds have been identified, on condition that a security for their processing or incorporation is provided.'

Article 2

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 1 July 1986.

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

Done at Brussels, 25 March 1986.

For the Council

The President

G. BRAKS