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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1799/87

of 25 June 1987

on special arrangements for imports of maize and sorghum into Spain from 1987 to 1990

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament [1],

Whereas, under an agreement between the European Economic Community and the United States of America concerning the conclusion of the negotiations under Article XXIV (6) of the General Agreement on Tariffs and Trade (GATT), approved by Decision 87/224/EEC [2], the Community undertook, in respect of the years 1987 to 1990, to open annual quotas for imports into Spain of two million tonnes of maize and 300 000 tonnes of sorghum, minus the quantities of certain grain substitutes imported into that country during the same year, either directly or indirectly; whereas the quantities of maize and sorghum imported must be used or processed in Spain;

Whereas the implementation of the agreement referred to above can be contemplated either under a levy reduction system or by direct purchases on the world market; whereas this agreement, motivated by the accession of Spain to the Community, is a transitional measure; whereas, however, imports of maize and sorghum into Spain effected under the said agreement at preferential terms are liable to interfere with the Community market; whereas, to overcome this difficulty, appropriate measures must be approved, including the possibility of applying a countervailing duty to processed products exported either to third countries or to the rest of the Community;

Whereas Council Regulation (EEC) No 486/85 of 26 February 1985 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific (ACP) States or in the overseas countries and territories [3], as last amended by Commission Regulation (EEC) No 73/87 [4], provides, in particular, for a 50 % reduction in the levy on sorghum and a smaller reduction in the levy on maize; whereas the combination of this advantage with the reduction provided for under the present Regulation would disturb the Spanish market for cereals; whereas this difficulty can be overcome by setting a special reduction of the levy on maize and sorghum imported under this Regulation;

Whereas provisions are required to cover the operations arising from this Regulation according to the mechanisms laid down by Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy [5], as last amended by Regulation (EEC) No 3769/85 [6], and by Council Regulation (EEC) No 1883/78 of 2 August 1978 laying down general rules for the financing of interventions by the European Agricultural Guidance Guarantee Fund, Guarantee Section [7], as last amended by Regulation (EEC) No 801/87 [8];

Whereas, as this is a matter of the application of an international agreement between a third country and the Community, the resulting operations should be financed in their entirety by the Community; whereas a waiver should therefore be made to the last subparagraph of Article 6 of Regulation (EEC) No 1883/78,

HAS ADOPTED THIS REGULATION:

Article 1

For a period of four years from 1987 onwards, imports from third countries, for free ciruclation in Spain, of maximum annual quantities of two million tonnes of maize and 300 000 tonnes of sorghum shall be effected as provided in the following Articles.

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(1) Opinion delivered on 19 June 1987 (not yet published in the Official Journal).
(2) OJ No L 98, 10. 4. 1987, p. 1.
(3) OJ No L 61, 1. 3. 1985, p. 4.
(4) OJ No L 11, 13. 1. 1987, p. 23.
(5) OJ No L 94, 28. 4. 1970, p. 3.
(6) OJ No L 362, 31. 12. 1985, p. 17.
(7) OJ No L 216, 5. 8. 1978, p. 1.
(8) OJ No L 79, 21. 3. 1987, p. 14.

Article 2

1. The annual quantities referred to in Article 1 shall be reduced, according to procedures to be determined, by any quantities of maize gluten, brewers' grains and citrus pulp imported into Spain from third countries. Where it is ascertained that the quantities of such products imported into Spain under the cover of documents establishing their Community status develop abnormally, the necessary action shall be taken in accordance with the procedure laid down in Article 26 of Regulaion (EEC) No 2727/75 (1).

2. For 1987, any quantities of maize and sorghum imported under Regulation (EEC) No 2913/86 (2) shall not be included in the quantities referred to in Article 1.

3. The quantities of maize and sorghum referred to in Article 1 shall be allocated to processing or use in Spain.

Article 3

1. Without prejudice to Article 4, in respect of imports of maize and sorghum into Spain, but within the quantitative limits set in Article 2, a reduction shall be applied to the levy fixed in accordance with Article 13 of Regulation (EEC) No 2727/75.

2. The amount of the reduction shall be fixed, in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75, at a level enabling disturbance of the Spanish market to be avoided. The reduction can also be fixed by a tender procedure.

The reduction can be differentiated for imports of maize and sorghum into Spain under Regulation (EEC) No 486/85.

3. The reduction shall be applied to imports of maize and sorghum effected into Spain on the basis of a licence valid only in that Member State.

Article 4

1. With a view to effecting the imports referred to in Article 1, it may be decided, under the procedure laid down in Article 26 of Regulation (EEC) No 2727/75, that the Spanish intervention agency shall purchase directly on the world market quantities of maize and sorghum to be determined, and shall place them under customs warehousing procedure as provided for in Directive 69/74/EEC (3).

2. Quantities purchased pursuant to paragraph 1 shall be put up for sale on the Spanish domestic market, in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75, on terms enabling market disturbance to be avoided.

3. When the goods are placed in free circulation, an agricultural levy shall be levied equal, taking the monetary compensatory amount into account, to the average of the levies applicable in Spain and fixed for the cereals concerned during the first 25 days of the month preceding the date of acceptance of the declaration of entry into free circulation, minus the difference between the threshold price and the intervention price for the same month.

Entry into free circulation shall be effected by the Spanish intervention agency.

When the purchasers of the goods make payment to the intervention agency, the selling price minus the levy shall correspond to revenue from sales within the meaning of Annex I to Regulaton (EEC) No 3247/81 (4).

4. The purchasing operation provided for in paragraph 1 shall rank as intervention for the purpose of stabilizing the agricultural markets within the meaning of Article 1 (2) (b) of Regulation (EEC) No 729/70.

5. Payments by the intervention agency for buying as provided for in paragraph 1 shall be borne by the Community as they arise and shall be treated in the same way as the expenditure referred to in Article 2 of Regulation (EEC) No 1883/78. The Spanish intervention agency shall record the value of the merchandise purchased at a price of 'zero' in the account referred to in Article 4 of Regulation (EEC) No 1883/78.

The last subparagraph of Article 6 of Regulation (EEC) No 1883/78 shall not apply to the financing of physical operations resulting from the storage of the products purchased.

Article 5

At a frequency to be determined, the Commission shall record in accounts :

— the quantities of maize and sorghum imported into Spain from third countries,

— the quantities of maize gluten, brewers' grains and citrus pulp imported into Spain.

For this purpose, the Spanish authorities shall supply the Commission regularly with all necessary information.

Article 6

The imports referred to in Article 2 must be effected, in respect of a given year, by the end of February of the following year.

Article 7

Where the markets for products derived from maize or sorghum are disturbed, a countervailing duty may be introduced in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75 for exports of the relevant products from Spain or for their consignment to other Member States.

(1) OJ No L 281, 1. 11. 1975, p. 1.
(2) OJ No L 272, 24. 9. 1986, p. 1.
(3) OJ No L 58, 8. 3. 1969, p. 7.
(4) OJ No L 327, 14. 11. 1987, p. 1.

Article 8

The following shall be adopted in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75 :

— any measures needed to ensure that the cereals, the levy for which has been reduced, are actually processed or used in Spain ; such measures may in particular provide for the deposit of a security,

— all other detailed rules for implementing this Regulation and in particular those relating to the issue of import licences ; such rules may stipulate that the licences may be issued only in Spain, after Commission endorsement.

Article 9

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

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

Done at Luxembourg, 25 June 1987.

For the Council

The President

H. DE CROO