COMMISSION REGULATION (EEC) No 2365/87

of 29 July 1987

on detailed rules for showing in accounts expenditure consequent on specific disposals of butter from public stocks

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to 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 3769/85 [2], and in particular Articles 4 (4) and 5 (3) thereof,

Whereas Council Regulation (EEC) No 1883/78 of 2 August 1978 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Section [3], as last amended by Regulation (EEC) No 801/87 [4], and in particular Article 4 (1) thereof, stipulates that where intervention entails buying in and storage of products, the amount financed is determined by the annual accounts established by the intervention agencies, but that, in the case of certain specific butter disposal schemes, the financing of losses incurred on sales is deferred and that the deferred financing attracts interest;

Whereas Article 6 of Commission Regulation (EEC) No 3184/83 of 31 October 1983 on the operation of the system of advances in respects of expenditure financed by the EAGGF Guarantee Section [5], as amended by Regulation (EEC) No 3462/85 [6] lays down the method to be followed for declaration of expenditure consequent upon public intervention; whereas special rules should be laid down in respect of the disposal of butter provided for by Regulation (EEC) No 1883/78;

Whereas there should be established a method of calculation of financing costs to be borne by virtue of Regulation (EEC) No 1883/78, which enables these costs to be entered in accounts on a monthly basis and which allows for amounts not yet reimbursed;

Whereas it is expedient to determine what treatment should be applied to any discrepancies between expenditure charged to the accounts for a year under Article 98 of the Financial Regulation of 21 December 1977 [7] and that recognized by the Commission when clearing the accounts as regards this deferred financing;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Fund Committee,

HAS ADOPTED THIS REGULATION:

Article 1

By way of derogation from Article 6 (2) of Regulation (EEC) No 3184/83 the amount of losses referred to in the second subparagraph of Article 4 (1) of Regulation No 1883/78 shall be drawn, from 1989 onwards, as provided below.

Article 2

The amount of losses referred to in the second subparagraph of Article 4 (1) of Regulation (EEC) No 1883/78, calculated in accordance with the third subparagraph using from No 1 annexe hereto shall be deducted from the expenditure declared in Annex II to Regulation (EEC) No 3184/83 and in Table IX of Commission Regulation (EEC) No 1723/72 [8], and, accordingly, shall be excluded from the amount to be drawn in accordance with Article 6 (2) of Regulation (EEC) No 3184/83.

Article 3

From the financial year 1989 onwards, the Member States shall draw, in the first quarter of each financial year, one quarter of the total of the amounts referred to in Article 2 and shall declare this amount as expenditure for the month during which the sum is drawn.

Article 4

1. For the financial years 1987 and 1988, the financing costs relating to the amounts referred to in Article 2 shall be calculated in accordance with form No 2 annexed hereto and drawn monthly.

2. From the financial year 1989, onwards, after deduction of the financing which is to take place in the first quarter, the financing costs shall be calculated on the residual amounts in accordance with column (a) of form No 3 annexed hereto and drawn in equal monthly tranches.

(1) OJ No L 94, 28. 4. 1970, p. 13.
(2) OJ No L 362, 31. 12. 1985, p. 17.
(3) OJ No L 216, 5. 8. 1978, p. 1.
(4) OJ No L 79, 21. 3. 1987, p. 14.
(5) OJ No L 320, 17. 11. 1983, p. 1.
(6) OJ No L 332, 10. 12. 1985, p. 25.
(7) OJ No L 356, 31. 12. 1977, p. 1.
(8) OJ No L 186, 16. 8. 1972, p. 1.

Article 5

The definitive amounts which are subject to a deferment of financing under Article 1 shall be established at the time of the clearance of accounts of the financial year in which the disposal takes place.

In the case of a difference between the amounts declared and the amounts recognized at the time of the clearance of accounts, the consequences which affect the financing years following the cleared year and which have been entered in the accounts up to the execution of the clearance decision, shall be determined by means of form No 3 and shall be paid or drawn at the date provided for in the clearance decision.

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 with effect from 1 December 1986.

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

Done at Brussels, 29 July 1987.

For the Commission

Frans ANDRIESSEN

Vice-President

ANNEX

Member State	
Product	

19 . .

NET LOSSES IN RESPECT OF SPECIFIC DISPOSALS

FORM No 1

Determination of losses incurred as a result of specific disposals for which financing is deferred

(Financial years 1987 and 1988)

(Period from 1 December 19 . . to . . . . . 19 . .)

A. *Value of quantities disposed from*

(a) quantitites disposed from 1 December 19 . . to . . . . . 19 . . .. tonnes

(b) carryover price at 1 December 19 . . .. national currency

(c) = (a × b) value of quantities disposed from 1 December 19 . . to . . . . . 19 . . .. national currency

B. *Proceeds from sales*

from 1 December 19 . . to . . . . . 19 . .

(a) Regulation No 3143/85 (1)	..... tonnes	..... national currency
(b) Regulation No 765/86 (2)	..... tonnes	..... national currency
(c) Regulation No 2409/86 (3)	..... tonnes	..... national currency
(d) Regulation No 2409/86 Title VII (a)	..... tonnes	..... national currency
Total	..... tonnes	..... national currency

C. (A — B) *Losses on sales* ..... national currency

from 1 December 19 . . to . . . . . 19 . . for which financing is deferred (to be deducted in column (b) Annex II Commission Regulation (EEC) No 3184/83 (4) and Table IX of Commission Regulation (EEC) 1723/72 (5)

D. Losses on sales up to the end of the preceding month for which financing is deferred ..... national currency

E. (C — D) Losses on sales for which financing is deferred to be deducted from month . . . . national currency (column (a) of Annex II) and used as a basis for calculation of financing costs (6) (Form No 2)

(1) OJ No L 298, 12. 11. 1985, p. 9.
(2) OJ No L 72, 15. 3. 1986, p. 11.
(3) OJ No L 208, 31. 7. 1986, p. 29.
(4) OJ No L 320, 17. 11. 1983, p. 1.
(5) OJ No L 186, 16. 8. 1972, p. 1.
(6) The amounts remain unchanged even for accounts clearance purposes.

Member State	
Product	

19..

NET LOSSES IN RESPECT OF SPECIFIC DISPOSALS

FORM No 2

Calculation of financing costs for losses on sales due to specific disposals for which financing is deferred

(Financial years 1987 and 1988)

Month in which expenditure is recorded (physical transactions of preceding month)	AMOUNTS DEFERRED		FINANCING COSTS	
	of month (line E — Form No 1)	Cumulative total	of month (1) (c) = $\frac{b \times i(*)}{12}$	Cumulative total (2)
	(a)	(b)	(c)	(d)
Carried forward from preceding year	—		—	—
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				(3)

(*) i = financing rate laid down in Commission Regulation (EEC) No 467/77 (OJ No L 62, 8. 3. 1977, p. 9).

(1) This amount is to be entered in column (a) of Annex II of Regulation (EEC) No 3184/83 (OJ No L 320, 17. 11. 1983, p. 1).

(2) This amount is to be entered in column (b) of Annex II of Regulation (EEC) No 3184/83.

(3) This amount must be entered in Table IX of Regulation (EEC) No 1723/72 (OJ No L 186, 16. 8. 1972, p. 1).

NET LOSSES IN RESPECT OF SPECIFIC DISPOSALS

FORM No 3

Calculation of financing costs on residual deferred amounts and of consequences of accounts clearances

(to be used from financial year 1989)

Operation	Basic figures	Figures cleared year	Consequences clearance year .....
	(a)	(b)	(c) = (a) — (b)
A. *Deferred amounts*			
1. 1987	(1)		
2. 1988	(1)		
3. Total			
B. *1989*			
1. Reimbursement $\frac{(A3)}{4}$			
2. Residual deferred amount (A3 — B1)			
3. Monthly financing costs = $\frac{B2 \times i(*)}{12}$			
4. Difference, financing costs, clearance = B3 × n (**)			
C. *1990*			
1. Reimbursement $\frac{(A3)}{4}$			
2. Residual deferred amount (A3 — B1 — C1)			
3. Monthly financing costs = $\frac{C2 \times i(*)}{12}$			
4. Difference, financing costs, clearance = C3 × n (**)			
D. *1991*			
1. Reimbursement $\frac{(A3)}{4}$			
2. Residual deferred amount (A3 — B1 — C1 — D1)			
3. Monthly financing costs = $\frac{D2 \times i(*)}{12}$			
4. Difference, financing costs, clearance = D3 × n (**)			
E. *Total consequences of clearance to be shown in accounts*			
1. On deferred amounts (B1 + C1 + D1) column (c)			
2. Financing costs (B4 + C4 + D4)			
3. Financing costs in respect of 1987 (A1 × i (*)) paid in 1988			
4. Total financing costs			

(*) i = financing rate fixed by Commission Regulation (EEC) No 467/77 (OJ No L 62, 8. 3. 1977, p. 9.)

(**) n = number of months elapsed between the beginning of the financial year and the execution of the clearance decision or 12 if the decision in question does not take place during the year.

(1) Data taken from the last monthly declaration or the amounts accepted in the clearance.