COMMISSION REGULATION (EEC) No 3427/87

of 16 November 1987

laying down detailed rules for intervention on the market in rice

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1418/76 of 21 June 1976 on the common organization of the market in rice (1), as last amended by Regulation (EEC) No 1907/87 (2), and in particular Article 5 (6) thereof,

Whereas Article 5 (1) of Regulation (EEC) No 1418/76 allows buying in only if the market price remains below the intervention price for a certain period; whereas the purpose of that provision is to prevent recourse to intervention on the slightest movement of prices and to activate buying in only when the level of prices is below the intervention price for a certain period; whereas two weeks would be a suitable length for that period;

Whereas, under the new intervention arrangements laid down by Regulation (EEC) No 1907/87, intervention buying in may be undertaken only on the basis of a comparison of the market prices with the intervention price; whereas the latter is fixed for a standard quality of product at the wholesale stage, delivered at ware house before unloading; whereas for the sake of comparability the market price should be determined from prices recorded at an identical point;

Whereas, if the intervention system is to be managed satisfactorily, the recording of prices should be limited to the market where supply most exceeds demand; whereas, for that purpose, only the market price of the variety which is most representative of that part of production which exceeds demand should be recorded; whereas, however, provision should be made for taking into account the market situation in Spain when there is a surplus;

Whereas a longer period of observation of the market should be required before a decision is taken to terminate intervention buying in than is required for commencement of buying in;

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

HAS ADOPTED THIS REGULATION:

Article 1

1. A decision to commence intervention buying in during the period referred to in Article 5 (1) of Regulation (EEC) No 1418/76 shall be taken if for two consecutive weeks the market price recoreded for each of those weeks is lower than the intervention price applicable for the week concerned.

2. Intervention buying in shall be terminated if the market price recorded as indicatedin paragraph 1 is, for three consecutive weeks, equal to or higher than the intervention price applicable over that period.

However, offers made before the decision terminating intervention buying in shall remain valid.

Article 2

1. 'The market price', as referred to in Article 5 (1) of Regulation (EEC) No 1418/76, shall mean the price recorded, as laid down in Article 3, at the wholesale stage for goods delivered at warehouse before unloading, against immediate payment.

Prices shall be adjusted for the standard quality.

2. The Member States in which the markets indicated in Article 3 are located shall notify the Commission by Wednesday of each week at the latest of the price recorded on the said markets from Wednesday of the previous week and of all factors entering into their formation.

Article 3

For the purposes of this Regulation:

— prices shall be recorded on the market of Vercelli,

— the variety for which prices are to be recorded shall be Lido.

However, where there is a significant surplus of rice on the Spanish market, prices recorded on the market of Valencia for the Bahia variety may be taken into account.

In that case the market price shall, folr the purposes of this Regulation, be the average obtained on the basis of the following weighting:

— 95 % to the price for Lido recoreded at Verceilli,

— 5 % to the price for Bahia recorded at Valencia.

Article 4

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

(1) OJ No L 166, 25. 6. 1976, p. 1.
(2) OJ No L 182, 3. 7. 1987, p. 51.

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

Done at Brussels, 16 November 1987.

For the Commission
Frans ANDRIESSEN
Vice-President