COUNCIL REGULATION (EEC) No 801/87

of 16 March 1987

amending Regulation (EEC) No 1883/78 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section

THE COUNCIL 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 Article 3 (2) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (3),

Having regard to the opinion of the Court of Auditors (4),

Whereas in 1987 and 1988 additional measures should, by way of exception, be taken to accelerate the disposal of butter in public storage and specific rules laid down for financing it so that the resulting budgetary cost is spread over several years;

Whereas, for this reason, the financing by the EAGGF, Guarantee Section, of expenditure relating to losses on sales during the 1987 and 1988 financial years, should be postponed until 1989; whereas the financing of this expenditure should begin in the 1989 financial year and should be limited to 25 % for that financial year and the remaining 75 % should be financed in instalments of 25 % over the next three financial years;

Whereas the immediate adoption of these measures is a condition for their being fully effective;

Whereas Council Regulation (EEC) No 1883/78 (5), as last amended by Regulation (EEC) No 1334/86 (6), should be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

The following subparagraphs are added to Article 4 (1) of Regulation (EEC) No 1883/78:

'Where specific measures for the disposal of butter from public stocks are taken under a common market organization within the milk and milk products sector in 1987 and 1988 with reference to this provision, financing of the loss on the sale shall begin in 1989 and shall be limited to 25 % of the amount of the loss recorded during the financial year concerned. The remaining 75 % shall be financed in instalments of 25 % over the following three financial years. This financing will take place, unless unavoidably prevented, during the first three months of each year in question.

The loss on the sale shall be equal to the difference between the value of the quantities carried over, as referred to in Article 1 (1) (c) of Regulation (EEC) No 3247/81 (1), and the value of the quantities disposed of pursuant to a measure as referred to in the previous subparagraph.

The unreimbursed amounts in respect of losses so calculated shall bear interest at rates fixed pursuant to Article 5.

(1) OJ No L 327, 14. 11. 1981, p. 1.'

Article 2

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.

(1) OJ No L 94, 28. 4. 1970, p. 13.
(2) OJ No L 362, 31. 12. 1985, p. 17.
(3) Opinion delivered on 12 March 1987 (not yet published in the Official Journal).
(4) OJ No C 59, 7. 3. 1987, p. 5.
(5) OJ No L 216, 5. 8. 1978, p. 1.
(6) OJ No L 119, 8. 5. 1986, p. 18.

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

Done at Brussels, 16 March 1987.

For the Council

The President

L. TINDEMANS