# COMMISSION REGULATION (EEC) No 2771/88

## of 6 September 1988

## fixing the amount of the subsidy on oil seeds

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal,

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 2210/88 [2], and in particular Article 27 (4) thereof,

Having regard to Council Regulation (EEC) No 1678/85 [3] fixing the conversion rates to be applied in agriculture, as last amended by Regulation (EEC) No 2185/88 [4],

Having regard to Council Regulation (EEC) No 1569/72 of 20 July 1972 laying down special measures for colza, rape and sunflower seed [5], as last amended by Regulation (EEC) No 2216/88 [6], and in particular Article 2 (3) thereof,

Having regard to the opinion of the Monetary Committee,

Whereas Article 27 of Regulation No 136/66/EEC provides that a subsidy should be granted in respect of oil seeds harvested and processed within the Community when the target price for a species of seed is higher than the price on the world market; whereas these provisions at present apply only in respect of colza, rape and sunflower seeds;

Whereas the subsidy on oil seeds should, theoretically, be equal to the difference between those two prices;

Whereas the target price and the monthly increases in the target price for colza, rape and sunflower seed for the 1988/89 marketing year were fixed by Regulations (EEC) No 2213/88 [7] and (EEC) No 2214/88 [8];

Whereas a supplement to the target price for 'double zero' colza and rape seed was fixed in Regulation (EEC) No 2213/88;

Whereas the abatement of the subsidy for colza and tape seed which arises from the system of maximum guaranteed quantities for the 1988/89 marketing year has been fixed by Commission Regulation (EEC) No 2761/88 [9];

Whereas the abatement of the subsidy for sunflower seed which arises, where appropriate, from the system of maximum guaranteed quantities for the 1988/89 marketing year, has not, to date, been fixed; whereas the amount of the subsidy for the 1988/89 marketing year has been provisionally calculated on the basis of an abatement of 5,835 ECU per 100 kilograms;

Whereas the standard quality for sunflower seed has been maintained by the Council for the 1988/89 marketing year; whereas the coefficients of equivalence applied to the prices of sunflower seed from third countries have been fixed by Commission Regulation (EEC) No 2869/87 [10];

Whereas Article 29 of Regulation No 136/66/EEC provides that the world market price, calculated for a Community frontier crossing point, is to be determined on the basis of the most favourable purchasing opportunities, quotations being adjusted where necessary to take account of quotations for competing products;

Whereas Article 4 of Council Regulation No 115/67/EEC of 6 June 1967 laying down criteria for determining world market prices for oil seeds and fixing the frontier crossing point [11], as last amended by Regulation (EEC) No 1983/82 [12], fixed the said crossing point at Rotterdam; whereas Article 1 of that Regulation provides that when the world market price is being determined account should be taken of all offers on the world market known to the Commission and of quotations on those exchanges which are significant for international trade; whereas Article 2 of Commission Regulation No 225/67/EEC of 28 June 1967 on detailed rules for determining the world market price for oil seeds [13], as last amended by Regulation (EEC) No 2869/87, provides that offers and quotations which do not relate to shipments to be effected within 30 days following the date on which

[1] OJ No 172, 30. 9. 1966, p. 3025/66.
[2] OJ No L 197, 26. 7. 1988.
[3] OJ No L 164, 24. 6. 1985, p. 11.
[4] OJ No L 195, 23. 7. 1988, p. 1.
[5] OJ No L 167, 25. 7. 1972, p. 9.
[6] OJ No L 197, 26. 7. 1988.
[7] OJ No L 197, 26. 7. 1988.
[8] OJ No L 197, 26. 7. 1988.
[9] OJ No L 247, 6. 9. 1988, p. 7.
[10] OJ No L 273, 26. 9. 1987, p. 16.
[11] OJ No 111, 10. 6. 1967, p. 2196/67.
[12] OJ No L 215, 23. 7. 1982, p. 6.
[13] OJ No 136, 30. 6. 1967, p. 2919/67.

the world market price is determined should be disregarded; whereas offers and quotations which the Commission believes, in view of general price movements or information available to it, not to be representative of the real trend of the market must also be disregarded; whereas offers and quotations relating to quantities of less than 500 tonnes and offers relating to seed of a quality other than that normally acceptable on the world market must also be disregarded;

Whereas Article 3 of Regulation No 225/67/EEC provides that of the offers and quotations taken into consideration, those for delivery c and f should be increased by 0,2 %; whereas offers and quotations for delivery fas, fob or otherwise should be increased, as appropriate, by loading, transport and insurance costs from the point of shipment or loading to the frontier crossing point; whereas cif offers and quotations for frontier crossing points other than Rotterdam should be adjusted to allow for the difference in transport and insurance costs as compared with a product delivered cif Rotterdam; whereas the Commission should take account only of the loading, transport and insurance costs which to its knowledge are the lowest; whereas, finally, offers and quotations for delivery cif Rotterdam should be increased by 0,242 ECU;

Whereas Article 5 of Regulation No 115/67/EEC provides that the world market price should be determined for seed of the standard quality for which the target price has been fixed, delivered in bulk;

Whereas Article 3 of Regulation No 225/67/EEC provides that offers and quotations relating to products presented otherwise than in bulk should be adjusted by deducting the additional value resulting from that presentation; whereas offers and quotations relating to a quality other than the standard quality for which the target price was fixed should be adjusted on the basis of the coefficients of equivalence shown in the Annex to that Regulation; whereas, in the case of offers on the world market for qualities of colza and rape seed other than those listed in that Annex, coefficients of equivalence derived from those listed in that Annex may, pursuant to Article 4 of Regulation No 225/67/EEC, be applied; whereas, when derived coefficients are being calculated, account must be taken of the differences between prices for the qualities of seed in question and prices for the qualities listed in that Annex, and of the characteristics of these various seeds;

Whereas Article 2 of Regulation No 115/67/EEC provides that, where no offer or quotation can be used as a basis for determining the world market price, that price should be determined on the basis of the value of the average quantities of oil and oil cake resulting from the processing of 100 kilograms of seed within the Community less an amount corresponding to the cost of processing these seeds into oil and oil cake; whereas the quantities and costs to be taken into consideration for the purposes of the calculation are fixed in Article 5 of Regulation No 225/67/EEC; whereas the value of those quantities should be determined in accordance with Article 6 of that Regulation;

Whereas Article 3 of Regulation No 115/67/EEC provides that, where no offer or quotation can be used as a basis for determining the world market price and where it is, moreover, impossible to establish the value of the oil or oil cake processed from such seed, the world market price should be determined on the basis of the most recent known value for oil or oil cake, adjusted to take account of the trend of world prices for competing products by applying to that value the rules set out in Article 2 of Regulation No 115/67/EEC; whereas Article 7 of Regulation No 225/67/EEC defines competing products as those oils or oil cakes, as the case may be, which appear to have been offered in the largest quantities on the world market during the period under consideration;

Whereas, under Article 6 of Regulation No 115/67/EEC, the price determined for colza, rape and sunflower seeds must also be adjusted by an amount not exceeding the margin, as calculated in accordance with that Article, where that margin may affect the normal disposal of seeds harvested in the Community;

Whereas Council Regulation (EEC) No 1594/83 of 14 June 1983 on the subsidy for oil seeds [1], as last amended by Regulation (EEC) No 2215/88 [2], laid down rules for granting the subsidy on oil seeds; whereas, under that Regulation, where the subsidy to be granted is fixed in advance, the amount of such subsidy must be equal to the amount applicable on the day on which the application for advance fixing was lodged, adjusted by the difference between the target price valid on that day and the target price valid on the day on which the seeds are placed under control at an oil or feed mill and, where appropriate, a corrective amount; whereas Article 35 of Commission Regulation (EEC) No 2681/83 of 21 September 1983 laying down detailed rules for the application of the subsidy system for oil seeds [3], as last amended by Regulation (EEC) No 2586/88 [4], provides that such adjustment should involve increasing or reducing the amount of subsidy applicable on the day on which the application was lodged by the corrective amount and the difference between the target prices mentioned in Article 35 of Regulation (EEC) No 2681/83;

Whereas Article 37 of Regulation (EEC) No 2681/83 provides that the corrective amount must be equal to the difference between the world market price for colza, rape and sunflower seeds and the forward price for those seeds valid for a shipment effected during the month in which the seeds were placed under control at an oil mill, those prices being determined in accordance with Articles 1, 4

(1) OJ No L 163, 22. 6. 1983, p. 44.
(2) OJ No L 197, 26. 7. 1988.
(3) OJ No L 266, 28. 9. 1983, p. 1.
(4) OJ No L 230, 19. 8. 1988, p. 23.

and 5 of Regulation No 115/67/EEC ; whereas, if no offer and no price can be used for such determination, the method of calculation provided for in Article 37 of Regulation (EEC) No 2681/83 should be used ; whereas the abovementioned difference may be adjusted in accordance with Article 38 of Regulation (EEC) No 2681/83, account being taken of the prices of the main competing cereals ;

Whereas the aid for colza, rape or sunflower seed harvested or processed in Spain or Portugal is to be advised as provided for in Council Regulation (EEC) No 478/86 (1) ; whereas pursuant to Article 95 (2) and 293 (2) of the Act of Accession of Spain and Portugal this aid is to be introduced at the beginning of the 1986/87 marketing year for seed harvested in these two Member States ;

Whereas, in Article 14 of Council Regulation (EEC) No 475/86 (2) of 25 February 1986 laying down general rules for the mechanism for controlling the prices and the quantities of certain products in the oils and fats sector released for consumption in Spain provision is made for the granting of compensatory aid, subject to certain conditions ; whereas compensatory aid should be fixed for sunflower seeds harvested in Spain ;

Whereas Council Regulation (EEC) No 1920/87 (3), provides for the granting of a special subsidy for sunflower seed harvested and processed in Portugal ; whereas the amount of this subsidy should be fixed ;

Whereas Article 33 of Regulation (EEC) No 2681/83 provides for the publication of the amount of the final subsidy obtained from the conversion into each of the national currencies of the amount in ECU resulting from the calculation referred to above plus or minus the differential amount ; whereas Article 1 of Commission Regulation (EEC) No 1813/84 (4), as last amended by Regulation (EEC) No 2138/87 (5), defined the elements which determine the differential amounts ; whereas these elements are equal to the incidence on the target price less 7,5 % or the subsidy of the coefficient derived from the percentage referred to in Article 2 (1) of Regulation (EEC) No 1569/72 ; whereas, according to these provisions, this percentage represents :

(a) for those Member States whose currencies are maintained as between themselves within a spread at any given moment of 2,25 %, the difference between :

— the conversion rate used under the common agricultural policy, and

— the conversion rate resulting from the central rate,

(b) for the other Member States, the difference between :

— the relationship between the conversion rate used under the common agricultural policy for the currency of the Member State concerned and the central rate of each of the currencies of the Member States referred to in (a), and

— the spot market rate for the currency of the Member State in question in relation to each of the currencies of the Member States referred to in (a), as recorded over a period to be determined ;

Whereas Regulation (EEC) No 1813/84 specifies the spot and forward exchange rates and the period to be used for calculating the differential amounts ; whereas in cases where, for one or more months, quotations of forward exchange rates are not available, the rates adopted for the previous months or the following months, as the case may be, must be used ;

Whereas the subsidy should be fixed whenever the market situation makes it necessary and in such a way as to ensure its being applied at least once a week ; whereas the subsidy may be altered whenever it becomes obvious that such alteration is necessary ;

Whereas it follows from applying these provisions to the offers and quotations known to the Commission that, pursuant to Article 33 of Regulation (EEC) No 2681/83 the amount of the subsidy in ECU and the amount of the subsidy in each of the national currencies must be fixed in accordance with the Annex to this Regulation ; whereas, pursuant to the same Article, the spot and forward exchange rates for the ECU in national currencies determined in accordance with Article 4 of Regulation (EEC) No 1813/84 must also be published,

HAS ADOPTED THIS REGULATION :

*Article 1*

1. The amounts of the subsidy and the exchange rates referred to in Article 33 (2) and (3) of Regulation (EEC) No 2681/83 shall be as set out in the Annex hereto.

(1) OJ No L 53, 1. 3. 1986, p. 55.
(2) OJ No L 53, 1. 3. 1986, p. 47.
(3) OJ No L 183, 3. 7. 1987, p. 18.
(4) OJ No L 170, 29. 6. 1984, p. 41.
(5) OJ No L 200, 21. 7. 1987, p. 9.

2. The amount of the compensatory aid referred to in Article 14 of Regulation (EEC) No 475/86 shall be as shown in Annex III to this Regulation for sunflower seed harvested in Spain.

3. The amount of the special subsidy provided for by Regulation (EEC) 1920/87 for sunflower seed harvested and processed in Portugal is fixed in Annex III.

4. However, the amount of aid for sunflower seed shall be confirmed or replaced with effect from 7 September 1988 to take account, where applicable, of the consequences of the application of the maximum guaranteed quantities system.

*Article 2*

This Regulation shall enter into force on 7 September 1988.

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

Done at Brussels, 6 September 1988.

*For the Commission*
Frans ANDRIESSEN
*Vice-President*

*ANNEX I*

**Aids to colza and rape seed other than 'double zero'**

*(amounts per 100 kilograms)*

| | Current 9 (1) | 1st period 10 (1) | 2nd period 11 (1) | 3rd period 12 (1) | 4th period 1 (1) | 5th period 2 (1) |
|---|---|---|---|---|---|---|
| 1. Gross aids (ECU): | | | | | | |
| — Spain | 0,580 | 0,580 | 0,580 | 0,580 | 0,580 | 0,580 |
| — Portugal | 0,000 | 0,000 | 0,000 | 0,000 | 0,000 | 0,000 |
| — Other Member States | 15,925 | 15,225 | 15,026 | 15,344 | 15,423 | 15,150 |
| 2. Final aids: | | | | | | |
| (a) Seed harvested and processed in: | | | | | | |
| — Federal Republic of Germany (DM) | 38,05 | 36,41 | 35,95 | 36,72 | 36,91 | 36,58 |
| — Netherlands (Fl) | 42,36 | 40,51 | 39,99 | 40,83 | 41,05 | 40,60 |
| — BLEU (Bfrs/Lfrs) | 760,47 | 726,66 | 716,98 | 732,27 | 744,73 | 731,55 |
| — France (FF) | 110,58 | 105,08 | 103,40 | 105,78 | 110,55 | 108,32 |
| — Denmark (Dkr) | 135,48 | 129,23 | 127,39 | 130,18 | 134,24 | 131,78 |
| — Ireland (£ Irl) | 12,281 | 11,670 | 11,482 | 11,747 | 12,292 | 12,044 |
| — United Kingdom (£) | 8,641 | 8,126 | 7,954 | 8,140 | 8,918 | 8,590 |
| — Italy (Lit) | 22 545 | 21 338 | 20 893 | 21 278 | 22 866 | 21 966 |
| — Greece (Dr) | 1 477,74 | 1 334,24 | 1 255,78 | 1 273,84 | 1 275,44 | 1 128,96 |
| (b) Seed harvested in Spain and processed: | | | | | | |
| — in Spain (Pta) | 89,44 | 89,44 | 89,44 | 89,44 | 89,44 | 89,44 |
| — in another Member State (Pta) | 2 356,42 | 2 248,83 | 2 216,58 | 2 255,79 | 2 267,98 | 2 199,54 |
| (c) Seed harvested in Portugal and processed: | | | | | | |
| — in Portugal (Esc) | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| — in another Member State (Esc) | 3 568,82 | 3 434,17 | 3 377,12 | 3 415,61 | 3 429,28 | 3 306,15 |

(1) Subject to the reduction resulting from the maximum guaranteed quantities system.

*ANNEX II*

**Aids to colza and rape seed 'double zero'**

*(amounts per 100 kilograms)*

| | Current 9 (1) | 1st period 10 (1) | 2nd period 11 (1) | 3rd period 12 (1) | 4th period 1 (1) | 5th period 2 (1) |
|---|---|---|---|---|---|---|
| 1. Gross aids (ECU): | | | | | | |
| — Spain | 3,080 | 3,080 | 3,080 | 3,080 | 3,080 | 3,080 |
| — Portugal | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| — Other Member States | 18,425 | 17,725 | 17,526 | 17,844 | 17,923 | 17,650 |
| 2. Final aids: | | | | | | |
| (a) Seed harvested and processed in: | | | | | | |
| — Federal Republic of Germany (DM) | 43,95 | 42,31 | 41,85 | 42,62 | 42,81 | 42,49 |
| — Netherlands (Fl) | 48,98 | 47,13 | 46,61 | 47,45 | 47,66 | 47,21 |
| — BLEU (Bfrs/Lfrs) | 880,63 | 846,83 | 837,15 | 852,43 | 865,45 | 852,26 |
| — France (FF) | 129,27 | 123,77 | 122,09 | 124,47 | 129,51 | 127,28 |
| — Denmark (Dkr) | 157,36 | 151,11 | 149,28 | 152,06 | 156,35 | 153,88 |
| — Ireland (£ Irl) | 14,360 | 13,748 | 13,561 | 13,825 | 14,402 | 14,154 |
| — United Kingdom (£) | 10,281 | 9,766 | 9,594 | 9,781 | 10,606 | 10,278 |
| — Italy (Lit) | 26 538 | 25 330 | 24 886 | 25 271 | 26 953 | 26 053 |
| — Greece (Dr) | 1 849,74 | 1 706,24 | 1 627,77 | 1 645,84 | 1 647,44 | 1 500,96 |
| (b) Seed harvested in Spain and processed: | | | | | | |
| — in Spain (Pta) | 474,98 | 474,98 | 474,98 | 474,98 | 474,98 | 474,98 |
| — in another Member State (Pta) | 2 741,95 | 2 634,36 | 2 602,11 | 2 641,33 | 2 653,52 | 2 585,07 |
| (c) Seed harvested in Portugal and processed: | | | | | | |
| — in Portugal (Esc) | 470,02 | 470,02 | 470,02 | 470,02 | 470,02 | 470,02 |
| — in another Member State (Esc) | 4 038,84 | 3 904,18 | 3 847,14 | 3 885,62 | 3 899,30 | 3 776,17 |

(1) Subject to the reduction resulting from the maximum guaranteed quantities system.

*ANNEX III*

**Aids to sunflower seed**

*(amounts per 100 kilograms)*

| | Current 9 (1) | 1st period 10 (1) | 2nd period 11 (1) | 3rd period 12 (1) | 4th period 1 (1) |
|---|---|---|---|---|---|
| 1. Gross aids (ECU): | | | | | |
| — Spain | 5,170 | 5,170 | 5,170 | 5,170 | 5,170 |
| — Portugal | 0,000 | 0,000 | 0,000 | 0,000 | 0,000 |
| — Other Member States | 19,648 | 19,245 | 18,462 | 18,840 | 18,897 |
| 2. Final aids: | | | | | |
| (a) Seed harvested and processed in (2): | | | | | |
| — Federal Republic of Germany (DM) | 46,97 | 46,03 | 44,20 | 45,11 | 45,25 |
| — Netherlands (Fl) | 52,27 | 51,21 | 49,15 | 50,15 | 50,30 |
| — BLEU (Bfrs/Lfrs) | 938,00 | 918,54 | 880,65 | 898,82 | 912,48 |
| — France (FF) | 136,01 | 132,85 | 126,56 | 129,38 | 135,07 |
| — Denmark (Dkr) | 166,95 | 163,35 | 156,30 | 159,60 | 164,36 |
| — Ireland (£ Irl) | 15,105 | 14,752 | 14,052 | 14,366 | 15,019 |
| — United Kingdom (£) | 10,571 | 10,274 | 9,667 | 9,887 | 10,839 |
| — Italy (Lit) | 27 672 | 26 977 | 25 500 | 25 946 | 27 877 |
| — Greece (Dr) | 1 778,76 | 1 688,16 | 1 489,00 | 1 507,69 | 1 502,54 |
| (b) Seed harvested in Spain and processed: | | | | | |
| — in Spain (Pta) | 797,28 | 797,28 | 797,28 | 797,28 | 797,28 |
| — in another Member State (Pta) | 2 083,57 | 2 021,63 | 1 899,10 | 1 944,61 | 1 953,41 |
| (c) Seed harvested in Portugal and processed: | | | | | |
| — in Portugal (Esc) | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| — in Spain (Esc) | 4 839,05 | 4 758,66 | 4 579,53 | 4 624,65 | 4 634,06 |
| — in another Member State (Esc) | 4 698,99 | 4 620,93 | 4 446,98 | 4 490,80 | 4 499,93 |
| 3. Compensatory aids: | | | | | |
| — in Spain (Pta) | 2 020,76 | 1 958,82 | 1 836,29 | 1 881,80 | 1 887,30 |
| 4. Special aid: | | | | | |
| — in Portugal (Esc) | 4 698,99 | 4 620,93 | 4 446,98 | 4 490,80 | 4 499,93 |

(1) Subject to the reduction resulting from the maximum guaranteed quantities system.
(2) For seed harvested in the Community as constituted at 31 December 1985 and processed in Spain, the amounts shown in 2 (a) to be multiplied by 1,0298070.

*ANNEX IV*

**Exchange rate of the ECU to be used for converting final aids into the currency of the processing country when the latter is a country other than the country of production**

*(value of 1 ECU)*

| | Current 9 | 1st period 10 | 2nd period 11 | 3rd period 12 | 4th period 1 | 5th period 2 |
|---|---|---|---|---|---|---|
| DM | 2,074200 | 2,070530 | 2,067000 | 2,063370 | 2,063370 | 2,052330 |
| Fl | 2,343030 | 2,339790 | 2,336210 | 2,332800 | 2,332800 | 2,321710 |
| Bfrs/Lfrs | 43,490000 | 43,487600 | 43,487500 | 43,490500 | 43,490500 | 43,502900 |
| FF | 7,046690 | 7,050500 | 7,054490 | 7,059840 | 7,059840 | 7,076770 |
| Dkr | 7,971810 | 7,977780 | 7,983130 | 7,988490 | 7,988490 | 8,009330 |
| £Irl | 0,775668 | 0,775510 | 0,775367 | 0,775432 | 0,775432 | 0,775973 |
| £ | 0,658104 | 0,659638 | 0,661009 | 0,662320 | 0,662320 | 0,666556 |
| Lit | 1 543,91 | 1 548,78 | 1 554,09 | 1 559,08 | 1 559,08 | 1 574,28 |
| Dr | 167,21500 | 168,61400 | 169,94500 | 171,32900 | 171,32900 | 175,02000 |
| Esc | 169,62200 | 170,50100 | 171,19000 | 172,00800 | 172,00800 | 174,56300 |
| Pta | 136,77500 | 137,17600 | 137,52700 | 137,89300 | 137,89300 | 138,84200 |