COMMISSION REGULATION (EEC) No 1590/89

of 7 June 1989

laying down transitional measures for the support of the beef market in Spain

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, and in particular Article 90 thereof,

Whereas the period fixed in Article 90 of the Act of Accession has been extended until 31 December 1989 according to Council Regulation (EEC) No 4074/88 (1);

Whereas, in the beef sector, part of the production of forequarters cannot be absorbed on the Spanish market due to low internal demand for such products at this time of the year and can be disposed of on other markets only with difficulty, taking into account the time which is necessary for the adjustment of the trade structures to the opening of the markets; whereas this situation has created economic difficulties for producers in Spain through the price deteriorations recorded since several weeks; whereas these difficulties are sufficiently serious to justify the introduction of transitional measures in order to improve the market situation for beef in Spain; whereas in order to be effective those transitional measures should take the form of aid for private storage to be granted on forequarters within an appropriate maximum of 5 000 tonnes;

Whereas aid for private storage shall be granted according to Regulation (EEC) No 805/68 of the Council of 27 June 1968 on the common organization of the market in beef and veal (2), as last amended by Regulation (EEC) No 571/89 (3), and, in particular, according to Regulation (EEC) No 989/68 of the Council of 15 July 1968 laying down general rules for granting private storage aid for beef and veal (4), as amended by Regulation (EEC) No 428/77 (5), and Commission Regulation (EEC) No 1091/80 of 2 May 1980 laying down detailed rules for granting private storage aid for beef and veal (6), as last amended by Regulation (EEC) No 3492/88 (7);

Whereas, in order to avoid any excess due to the application of these aids, provision should be made to restrict the aid to Spanish origin products;

Whereas provisions should be made to ensure that the animals involved be slaughtered exclusively in slaughterhouses which are approved and supervised in accordance with the provisions of Council Directive 64/433/EEC (8), as last amended by Directive 88/288/EEC (9);

Whereas Article 3 of Regulation (EEC) No 989/68 provides that, if the market situation so requires, the period of storage may be curtailed or extended; whereas it is therefore appropriate that, in addition to the amounts of aid granted for a specific storage period, amounts to be added or reduced in the event of that period being extended or curtailed should also be fixed;

Whereas, in order to prevent the financing of normal private storage, it appears desirable to fix high minimum quantities;

Whereas foreseeable market conditions make it necessary to provide for storage periods of between three and five months; whereas, in order to improve the efficiency of the scheme, provisions should be laid down enabling the applicants to benefit from an advance payment of the aid subject to a security;

Whereas provision should be made for the possibility of reducing the storage period where meat removed from storage is intended for export; whereas proof that the meat has been exported must be supplied as in the case of refunds, in accordance with Commission Regulation (EEC) No 3665/87 (10), as last amended by Regulation (EEC) No 3993/88 (11);

Whereas it is appropriate to provide that, subject to certain conditions, a limited quantity may be withdrawn from store without subsequent export; whereas provisions should be made for the calculation of aid and the release of security where the storer has not respected certain obligations;

Whereas, in order for the Commission to closely monitor the effect of the private storage scheme, the Member State concerned shall communicate the necessary information;

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

(1) OJ No L 359, 28. 12. 1988, p. 3.
(2) OJ No L 148, 28. 6. 1968, p. 24.
(3) OJ No L 61, 4. 3. 1989, p. 43.
(4) OJ No L 169, 18. 7. 1968, p. 10.
(5) OJ No L 61, 5. 3. 1977, p. 17.
(6) OJ No L 114, 3. 5. 1980, p. 18.
(7) OJ No L 306, 11. 11. 1988, p. 20.
(8) OJ No 121, 29. 7. 1964, p. 2012/64.
(9) OJ No L 124, 18. 5. 1988, p. 28.
(10) OJ No L 351, 14. 12. 1987, p. 1.
(11) OJ No L 354, 22. 12. 1988, p. 22.

HAS ADOPTED THIS REGULATION:

Article 1

1. Applications may, subject to an overall limit of 5 000 tonnes, be submitted to the Spanish intervention agency until 23 June 1989 for aid for the private storage of forequarters of adult male bovine animals defined in Article 2 and originating in Spain.

Application submitted on or after the day following that on which the total quantity applied for exceeds 5 000 tonnes shall not be accepted. Quantities in respect of which applications are lodged on the day the overall limit is exceeded shall be reduced proportionally.

If the market situation make it advisable, the deadline for the submission of applications may be changed.

2. The amount of aid, by tonne of products, bone in, are fixed in the Annex hereto for each of these presentations, pursuant to Article 6 (1) of Regulation (EEC) No 1091/80.

The amount of aid shall be adjusted if the period of storage is extended or reduced. The supplements and deductions per day for each of the presentations referred to in Article 2 are fixed in the Annex hereto.

3. Subject to the provisions of this Regulation, the provisions of Regulation (EEC) No 1091/80 shall apply.

Article 2

1. Only meat produced in accordance with the provisions of Article 3 (1A) (a) to (e) of Directive 64/433/EEC shall be eligible for private storage aid.

2. Private storage can only be granted for meat classified in accordance with the Community scale for the carcase classification as laid down in Council Regulation (EEC) No 1208/81 [1] and identified in accordance with Article 4 (3) (d) and (e) of Commission Regulation (EEC) No 859/89 [2].

3. For the purposes of this Regulation the forequarter shall mean:

(a) the front part of the half-carcase cut, in the manner known as 'pistola' with a minimum of five ribs and a maximum of eight ribs and with a minimum average weight of 55 kilograms, the flank being attached to the forequarter; or

(b) the front part of the half-carcase and in a manner known as 'straight' with a minimum of eight ribs and a maximum of 10 ribs and with a minimum average weight of 55 kilograms.

Article 3

1. The minimum quantity per contract shall be 15 tonnes expressed as bone-in meat.

2. The contract may only cover unboned meat of one of the presentations listed in the Annex.

3. Placing in storage must be carried out within 28 days of the date of conclusion of the contract.

4. The security shall be declared forfeit if the application for a contract is withdrawn.

Article 4

1. Subject to the provisions laid down in paragraph 2, the contractor may, during the storage entry period cut or bone all or part of the products referred to in Article 2, provided that only the quantity for which the contract has been concluded is employed and that all the meat resulting from such operations is placed in store. Intention to make use of this facility shall be notified not later than the date of placing in storage.

2. If the quantity actually stored unboned or, if cut or boned, the quantity of unboned meat employed, is less than the quantity for the contract was concluded and:

(a) not less than 90 % of that quantity, the amount of aid referred to in Article 1 (2) shall be reduced proportionally;

(b) less than 90 % but more or equal to 80 % of that quantity, private storage aid is paid for half of the quantity actually stored;

(c) less than 80 % of this quantity, private storage aid shall not be paid.

3. In the case of boning:

(a) if the quantity actually stored does not exceed 67 kilograms of boned meat per 100 kilograms of unboned meat employed, private storage aid shall not be payable;

(b) if the quantity actually stored exceeds 67 kilograms but is lower than 75 kilograms of boned meat per 100 kilograms of unboned meat employed, the aid referred to in Article 1 (2) shall be reduced proportionally.

4. The large tendons, cartilages, pieces of fat and other scraps left over from cutting for boning may not be stored.

5. No aid shall be granted:

(a) for quantities stored unboned or, in case of cutting or boning, for quantities of unboned meat employed, in excess of quantities for which the contract was concluded; and

[1] OJ No L 123, 7. 5. 1981, p. 3.
[2] OJ No L 91, 4. 4. 1989, p. 5.

(b) in case of boning, for quantities in excess of 75 kilograms of boned meat per 100 kilograms of unboned meat employed.

Article 5

1. The actual storage period shall be chosen by the storer, but may not be less than three months nor exceed five months. If the storage period exceeds three months the aid shall be increased in accordance with Article 1 (2).

2. After two months of storage under contract, a single advance payment of the aid may be made, at the storer's request, on condition that he lodges a security equal to the advance payment plus 20 %.

The advance payment of the aid shall not exceed the amount of aid corresponding to a storage period of two months.

Where quantities under contract are exported in accordance with Article 6 prior to the advance payment, the actual storage period for those quantities shall be taken into account when calculating the amount of advance payment.

The advance payment of the aid shall be converted into national currency by applying the representative rate in force on the day of conclusion of the storage contract.

Article 6

1. After two months of storage under contract, meat may be fully or partly withdrawn from store, subject to a minimum quantity, provided that, within 60 days following its removal from store, it:

— has left the Community's territory,

or

— has reached its destination in the cases referred to in Article 34 (1) of Regulation (EEC) No 3665/87,

or

— has been placed in a victualling warehouse approved pursuant to Article 38 of Regulation (EEC) No 3665/87.

2. If the 60-day period is not complied with, the amount of aid for the quantity concerned, calculated in accordance with Article 7, shall be reduced:

— by 15 %,

plus

— a further 5 % per day exceeding the 60-day period.

Moreover 15 % of the security referred to in Article 9, and a further 5 % per day exceeding the 60-day period, shall be declared forfeit in respect of the quantity concerned.

3. If, prior to the end of the minimum storage period, a minimum of 90 % of the meat actually stored under a contract has been exported in the sense of paragraph 1, the balance may be withdrawn from store prior to the end of the minimum storage period. If withdrawn:

— aid shall only be paid for the quantity having been exported,

and

— the security referred to in Article 9 shall be released only in respect of the quantity having been exported.

4. For the purposes of the precedings paragraphs, proof shall be furnished as in the case of refunds.

Article 7

1. Where application has been made of Article 6, the amount of aid shall be reduced, in accordance with Article 1 (2).

2. The storage period shall terminate on the day before:

— the first day of removal from storage, or

— the day of acceptance of the export declaration, if the meat has not been moved.

3. Article 3 (4) of Council Regulation (EEC, Euratom) No 1182/71 (1), shall not apply as regards the calculation of the storage period.

Article 8

1. The minimum quantity for each removal is fixed at 5 tonnes of product weight per store and per contractor. However, where the quantity left in a store is less than this quantity, one further withdrawal operation of the remaining quantity or part thereof shall be permitted.

Where the withdrawal conditions referred to in the preceding subparagraph are not complied with:

— the amount of aid for the quantity withdrawn shall be calculated in accordance with Article 5 (1) or Article 7,

and

— 15 % of the security referred to in Article 9 shall be declared forfeit in respect of the quantity withdrawn.

2. The storer shall inform the intervention agency in good time before the commencement of withdrawal operations, stating the quantities he intends to withdraw.

The intervention agency may require that this notification be made at least two working days before commencement of operations.

Where this requirement is not complied with but where sufficient evidence has been furnished to the satisfaction of the competent authority, as to the date of withdrawal from store and the quantities concerned

— the amount of aid shall be calculated in accordance with Article 5 (1) or Article 7,

and

— 15 % of the security referred to in Article 9 shall be declared forfeit in respect of the quantity concerned.

(1) OJ No L 124, 8. 6. 1971, p. 1.

For all other cases where that requirement is not complied with :

— no aid shall be paid under the contract concerned, and

— the whole of the security referred to in Article 9 shall be declared forfeit in respect of the contract concerned.

Article 9

The amount of the security referred to in Article 4 (2) of Regulation (EEC) No 1091/80 shall be ECU 75 per tonne of beef under contracts.

Article 10

Except in cases of *force majeure* the application for payment of the aid and the supporting documents must be lodged with the competent authority within six months of the end of the contracted storage period. If it has not been possible to produce them on time although the applicant has acted promptly to obtain them, an extra period of time for their production may be granted. Where Article 6 is applied the necessary proof must be produced within the time limits specified in Article 47 (2), (4), (6) and (7) of Regulation (EEC) No 3665/87.

Article 11

The Member State concerned shall communicate by telex to the Commission before Thursday of each week the results of the application of Articles 5 (2) and 6 of this Regulation.

Article 12

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 Brussels, 7 June 1989.

For the Commission

Ray MAC SHARRY

Member of the Commission

ANNEX

Forequarters from adult male bovine animals

Products in respect of which aid is granted	Amount of aid in ECU/tonne for a storage period of 3 months	Amount in ECU/tonne to be deducted or added per day
(a) Fresh or chilled forequarters cut in the manner known as 'pistola'	300	1,0
(b) Fresh or chilled forequarters cut in the manner known as 'straight'	310	1,0