COMMISSION REGULATION (EEC) No 2734/89

of 8 September 1989

on the factors to be taken into consideration for determining expenditure pursuant to Article 37 (2) of Regulation (EEC) No 822/87 to be financed by the EAGGF Guarantee Section

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3247/81 of 9 November 1981 on the financing by the European Agricultural Guidance and Guarantee Fund, Guarantee Section, of certain intervention measures, particularly those involving the buying-in, storage and sale of agricultural products by intervention agencies (1), as last amended by Regulation (EEC) No 2277/89 (2), and particularly Article 7 b,

Whereas Article 37 (2) of Council Regulation (EEC) No 822/87 of 16 March 1987 on the common organization of the market in wine (3), as last amended by Regulation (EEC) No 1236/89 (4), lays down that the cost of measures of disposal of the products of the distillation operations referred to in Articles 35 and 36 of the said Regulation are to be borne by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund; whereas the factors to be taken into account for determining those costs should be laid down;

Whereas there is an analogy between the costs in question and those resulting from application of Article 40 of Regulation (EEC) No 822/87 and whereas, therefore, the same rules as those laid down in Articles 3 and 4 of Council Regulation (EEC) No 3247/81 may be applied;

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

HAS ADOPTED THIS REGULATION:

Article 1

Cost arising from the disposal of the products of the distillation operations referred to in Articles 35 and 36 of Regulation (EEC) No 822/87 in sectors other than those of alcohol and spirituous beverages to be entered in the accounts by the EAGGF Guarantee Section shall be equal to the buying-in price of the alcohol in question:

a. revenue deriving from sales of the alcohol;
b. the value of quantitative losses exceeding the tolerance limit;
c. the value of quantities missing as a result of theft or other identifiable losses;
d. the value of quantities which have deteriorated as a result of storage conditions;
e. the value of quantities lost in accidents;
f. guarantees forfeited as under Community rules;
g. any other revenue.

Article 2

For the purposes of determining the values referred to in Article 1 (b), (c), (d) and (e), Article 3 (2) and Article 4 of Regulation (EEC) No 3247/81 shall apply.

Article 3

The tolerance limit for losses of quantities admitted into storage of the products of the distillation operations referred to in Articles 35 and 36 of Regulation (EEC) No 822/87 shall be that provided for in respect of the products of the distillation operations referred in Article 39 of the said Regulation.

Article 4

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

It shall apply with effect from 1 October 1987.

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

Done at Brussels, 8 September 1989.

For the Commission

Ray MAC SHARRY

Member of the Commission

(1) OJ No L 327, 14. 11. 1981, p. 1.
(2) OJ No L 218, 28. 7. 1989, p. 4.
(3) OJ No L 84, 27. 3. 1987, p. 1.
(4) OJ No L 128, 11. 5. 1989, p. 31.