# COMMISSION REGULATION (EEC) No 140/91

## of 21 January 1991

## on the sale for delivery in Madeira and the Azores of cereals held by the French intervention agency

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals (1), as last amended by Regulation (EEC) No 3577/90 (2), and in particular Article 7 (6) thereof,

Whereas Article 3 of Council Regulation (EEC) No 1581/86 of 23 May 1986 laying down general rules for intervention on the market in cereals (3), as amended by Regulation (EEC) No 2203/90 (4), provides that cereals held by intervention agencies are to be sold by tender;

Whereas Commission Regulation (EEC) No 1836/82 (5), as last amended by Regulation (EEC) No 2619/90 (6), lays down the procedure and conditions for the sale of cereals held by intervention agencies; whereas Article 4 thereof allows for the possibility of resale on the Community market for specific destinations;

Whereas from 1 January 1991 onwards Portugal and its dependent territories will apply the common levies on cereals imported from third countries; whereas the Azores and Madeira are consequently liable to disturbances of their cereals supplies because of their geographic situation on the outer periphery of the Community; that the appropriate measures to put this right are under discussion in the context of the Poseima programme; that the Portuguese authorities have requested that a solution be found urgently for these territories of the Azores and Madeira; that to comply with this request intervention stocks could be sold; that it is therefore right to set favourable conditions for such sales, without, however, causing disturbances on the market; whereas to make allowance for the cost of transport between the European territory of the Community and the specified destinations, a derogation from Article 5 of Regulation (EEC) No 1836/82 dealing with the internal market resale price of intervention cereals should be permitted; whereas provision should also be made for the lodging of security such as to guarantee that the cereals reach the specified destinations within the specified time limits and that the successful tenderer fulfils his obligation to pass on to the new buyer of the cereals the purchase price concession he received;

Whereas Member States shall take all further action compatible with the provisions in force that is required to ensure satisfactory operation of the present arrangement and shall inform the Commission thereof;

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*

The French intervention agency is authorized to sell by tender on the Community market 150 000 tonnes of cereals to be delivered to the destinations and within the time limits specified in the Annex.

*Article 2*

1. The invitation to tender shall be open from 1 January to 31 December 1991.

2. The cereals sold must be delivered to the destination provided for in the Annex.

3. Tenders shall not be valid unless accompanied by a written commitment:

— to pass on, when the cereals are resold after arrival at destination, the price advantage granted in application of the tender rules set out in Article 3; should the cereals not be sold for direct consumption the terms of sale must include an obligation on the purchaser to pass on in turn the price reduction granted pursuant to Article 3,

— to lodge, at the latest on payment for the cereals, a security covering the difference between the price as provided for in Article 5 (1) and (3) of Regulation (EEC) No 1836/82 and that tendered.

(1) OJ No L 281, 1. 11. 1975, p. 1.
(2) OJ No L 353, 17. 12. 1990, p. 23.
(3) OJ No L 139, 24. 5. 1986, p. 36.
(4) OJ No L 201, 31. 7. 1990, p. 5.
(5) OJ No L 202, 9. 7. 1982, p. 23.
(6) OJ No L 249, 12. 9. 1990, p. 8.

*Article 3*

The minimum price to be observed shall be fixed in accordance with the procedure indicated in Article 26 of Regulation (EEC) No 2727/75 by way of derogation from Article 5 (1) and (3) of Regulation (EEC) No 1836/82, account being taken in particular of the cost of transport between the storage locations and the destinations specified. A minimum price shall be set for each destination.

*Article 4*

The security mentioned in the second indent of Article 2 (3) shall be released for quantities for which evidence of resale in the Azores and Madeira at a price reflecting the price reduction granted pursuant to Article 3 is provided within the specified time limit. Such evidence shall be constituted by certificate issued by the Portuguese authorities following verification that the tenderer has met his obligations.

*Article 5*

The French intervention agency shall take all action necessary to ensure that the provisions of this Regulation are complied with. It shall inform the Commission each week, through the Management Committee for Cereals, of the progress of the tender procedure and of the supply operation.

*Article 6*

This Regulation shall enter into force on the day following 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, 21 January 1991.

*For the Commission*
Ray MAC SHARRY
*Member of the Commission*

*ANNEX*

| First period | Azores | Madeira |
|---|---|---|
| Cereals | Quantity (tonnes) | |
| — common wheat | 18 000 | 11 500 |
| — barley | 28 000 | 12 500 |
| — durum wheat | 1 500 | 3 500 |

Second period: 75 000 tonnes (to be fixed)

Latest delivery date: 1 July to 31 December 1991