COUNCIL REGULATION (EEC) No 1628/91

of 13 June 1991

amending Regulation (EEC) No 805/68 on the common organization of the market in beef and veal

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission (1),

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas Article 6 of Council Regulation (EEC) No 805/68 on the common organization of the market in beef and veal (4), as last amended by Regulation (EEC) No 3577/90 (5), established a system of buying-in into intervention in order to stabilize the beef market and to support its prices; whereas, in particular, in addition to the normal optional buying-in regime limited to a maximum quantity of 235 000 tonnes a year, paragraph 5 of the abovementioned Article introduced a compulsory buying-in regime, the so-called 'safety net', without any quantitative limits, opened under certain exceptional market conditions;

Whereas this system has proved not to have attained its objective, in particular owing to the fact that the maximum quantity to be bought in governed by the normal regime has prompted recourse to massive buying-in under the safety net; whereas, furthermore, the fixed buying-in price under this safety net has strengthened the attraction of this buying-in to the detriment of commercial outlets, without the system providing sufficient guarantees that the buying-in price, paid under intervention, is passed back to the producer; whereas the system of buying-in into intervention should, therefore, be adjusted in general, and that of the safety net should be adjusted in particular;

Whereas, taking into account the buying-in prices to be fixed under the existing intervention system, and in particular under the safety net, there is a risk that buying-in into intervention will, at least partially, replace the marketing of meat produced on the market place; whereas, in order to remedy this situation, excessive differences recorded between intervention buying-in prices and market prices should be avoided; whereas, to this end, it is appropriate to exclude offers made by way of tender procedure which exceed the market price, increased by a supplementary amount to be determined;

Whereas furthermore an adaptation of the thresholds seems appropriate in the light of the recent decrease of market prices and several monetary realignments which increased substantially the difference expressed in ecus between market price and intervention price;

Whereas, for the period from 6 April 1987 to 2 April 1989, Article 6a of Regulation (EEC) No 805/68 derogated from certain rules laid down by Article 6 of the said Regulation; whereas Article 6a is thus no longer applicable; whereas that Article should therefore be repealed,

HAS ADOPTED THIS REGULATION:

Article 1

Article 6 of Regulation (EEC) No 805/68 shall be replaced by the following:

'*Article 6*

1. Where the conditions laid down in paragraph 2 are met, buying-in by intervention agencies in one or more Member States or in a region of a Member State of one or more categories, qualities or quality groups, to be determined, of fresh or chilled meat falling within CN codes 0201 10 and 0201 20 11 to 0201 20 59 and originating in the Community may be organized under tender procedures arranged with a view to ensuring reasonable support of the market, having regard to seasonal developments as regards slaughterings.

2. For each quality or quality group that may be bought in, the tender procedures may be opened as provided in paragraph 8 whenever, in a Member State or in a region of a Member State, the following two conditions are both met for a period of two consecutive weeks:

— the average Community grading market price recorded on the basis of the Community scale for the carcases of adult bovine animals is less than 84 % of the intervention price,

— the average market price recorded on the basis of the said scale in the Member State or States or regions of a Member State is less than 80 % of the intervention price.

The intervention price shall be set before the start of each marketing year in accordance with the procedure laid down in Article 43 (2) of the EEC Treaty.

3. Tender arrangements for one or more qualities or quality groups shall be suspended in any one of the following two situations:

(1) OJ No L 104, 19. 4. 1991, p. 62.
(2) Opinion delivered on 16 May 1991 (not yet published in the Official Journal).
(3) Opinion delivered on 25 April 1991 (not yet published in the Official Journal).
(4) OJ No L 148, 28. 6. 1968, p. 24.
(5) OJ No L 353, 17. 12. 1990, p. 23.

— where, for two consecutive weeks, the two conditions referred to in paragraph 2 are no longer both met,

— where buying-in is no longer appropriate in view of the criteria set out in paragraph 1.

4. Intervention shall also be opened if, for a period of two consecutive weeks, the average Community market price of young uncastrated male animals less than two years old or castrated male animals, recorded on the basis of the Community grading scale for carcases of adult bovine animals, falls short of 78 % of the intervention price, and if:

— in at least three Member States or regions of a Member State representing overall 60 % or more of Community production of young uncastrated male animals less than two years old or castrated male animals, the price recorded for these categories on the basis of the said scale falls short of 75 % of the intervention price; in this case, buying-in shall take place for the categories concerned in the Member States or regions of a Member State where the price level is below this limit,

— in a Member State or regions of a Member State, the average market price of young uncastrated male animals less than two years old or castrated male animals, recorded on the basis of the Community grading scale for carcases of adult bovine animals falls short of 72 % of the intervention price; in this case, buying-in shall take place for the categories concerned in the Member States or regions of a Member State where the price level is below that limit.

For this buying-in, and without prejudice to paragraph 6, all offers shall be accepted.

5. In exceptional cases and/or when there is a serious market crisis, the Council, acting by qualified majority on a proposal from the Commission, may, notwithstanding the rules set out in paragraph 4, decide on urgent intervention measures. These measures shall not apply beyond the marketing year in which they are decided.

6. Only offers equal to or less than the average market price recorded in a Member State or a region of a Member State and increased by an amount to be determined on the basis of objective criteria may be accepted under the buying-in systems referred to in paragraphs 1 and 4.

7. For each quality or quality group eligible for intervention, the buying-in prices and the quantities accepted for intervention shall be determined under tender procedures and may, in special circumstances, be fixed by a Member State or a region of a Member State on the basis of recorded average market prices. The tender procedures must ensure equality of access for all persons concerned. They shall be opened on the basis of specifications to be determined taking commercial structures into account, where necessary.

8. Under the procedure provided for in Article 27:

— the categories, qualities or quality groups of products eligible for intervention shall be determined,

— the opening or reopening of tender procedures and their suspension in the case referred to in the last indent of paragraph 3 shall be decided,

— the buying-in prices and the quantities accepted for intervention shall be fixed,

— the amount of the increase referred to in paragraph 6 shall be determined,

— the procedures implementing this Article, and in particular those designed to prevent market prices spiralling downward, shall be adopted,

— any transitional provisions necessary for the implemention of these arrangements shall be adopted.

The Commission shall decide on:

— opening intervention as referred to in paragraph 4 and suspending it where one or more conditions laid down in that paragraph no longer apply,

— suspending buying-in as referred to in the first indent of paragraph 3.'

Article 2

Article 6a of Regulation (EEC) No 805/68 is hereby repealed.

Article 3

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

It shall apply as from 17 June 1991.

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

Done at Luxembourg, 13 June 1991.

For the Council

The President

A. BODRY