COMMISSION REGULATION (EEC) No 2984/91

of 11 October 1991

laying down detailed rules concerning the removal from storage of long flax fibre which is the subject of a storage contract

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1308/70 of 29 June 1970 on the common organization of the market in flax and hemp (1), as last amended by Commission Regulation (EEC) No 3995/87 (2), and in particular Article 5 (1) thereof,

Whereas Commission Regulation (EEC) No 2885/90 (3) provides for the grant of aid for the private storage of long flax fibre in order to contend with the temporary imbalance in foreseeable demand; whereas the contracts concluded pursuant to that Regulation have expired;

Whereas an assessment of the market situation indicates that the imbalance is going to continue for part of the present marketing year, bearing in mind the foreseeable development of demand for fibre;

Whereas, in view of the significant reduction in the area sown, a fall in the production of flax is to be expected during the coming marketing year; whereas, it can be expected that at the end of the present marketing year balance will be restored between the supply of fibre and demand for it;

Whereas there is a danger that the placing on the market of relatively large quantities of fibre for which contracts have been concluded will seriously worsen the market situation; whereas steps should be taken, therefore, to relieve congestion on the market gradually; whereas this aim can be achieved by granting aid to holders of fibre who have concluded a storage contract pursuant to Regulation (EEC) No 2885/90 and who conclude a new contract for the removal during a maximum period of six months of a decreasing quantity of long flax fibre;

Whereas, in order to make storage aid available to holders of small quantities of fibre, steps should be taken to adjust the minimum quantity referred to in Article 3 (2) of Commission Regulation (EEC) No 1524/71 of 16 July 1971 laying down detailed rules concerning private storage aid for flax and hemp fibres (4), as amended by Regulation (EEC) No 640/91 (5);

Whereas, according to Article 8 (2) (b) of Council Regulation (EEC) No 1172/71 of 3 June 1971 laying down general rules concerning private storage aid for flax and hemp fibres (6), the term of existing contracts may in certain circumstances be curtailed; whereas, in addition to the aid to be paid where the obligations under the contract are fulfilled, the deductions to be made where the storage term is thus reduced should be specified;

Whereas the Management Committee for Flax and Hemp has not delivered an opinion within the time limit set by its Chairman,

HAS ADOPTED THIS REGULATION:

Article 1

Holders of flax fibre who have concluded a storage contract in accordance with Regulation (EEC) No 2885/90 may conclude new storage contracts under the conditions set out below.

Article 2

1. Contracts must be concluded not later than 15 November 1991 and at the option of the holder for a term of two, four or six months.

2. For the purposes of this Regulation a month shall mean a period of 30 days.

Article 3

1. Intervention agencies of producer Member States shall grant in accordance with Regulation (EEC) No 1524/71 and this Regulation private storage aid for long flax fibre of Community origin.

2. The amount of the aid shall be ECU 2,50 per 100 kilograms per month.

3. Where Article 8 (2) (b) of Regulation (EEC) No 1172/71 applies, the amount of the aid shall be reduced in proportion to the reduction in the term of the contract.

(1) OJ No L 146, 4. 7. 1970, p. 1.
(2) OJ No L 377, 31. 12. 1987, p. 34.
(3) OJ No L 276, 6. 10. 1990, p. 16.
(4) OJ No L 160, 17. 7. 1971, p. 16.
(5) OJ No L 69, 16. 3. 1991, p. 25.
(6) OJ No L 123, 5. 6. 1971, p. 7.

Article 4

Contracts shall be concluded :

— during the first two months for not more than 75 %,

— during the third and fourth months for not more than 50 %,

— during the fifth and sixth months for not more than 25 % of that quantity for which a storage contract has been concluded pursuant to Regulation (EEC) No 2885/90.

Article 5

1. Contracts shall be concluded in respect of the long flax fibre referred to in Regulation (EEC) No 2885/90.

2. Contracts shall be concluded only with persons who :

— have complied with the conditions laid down in Regulation (EEC) No 2885/90 ;

— are in possession of the quantity of the product for which a storage contract has been concluded.

3. Notwithstanding Article 3 (2) of Regulation (EEC) No 1524/71, the minimum quantity per contract shall be 3 000 kg.

Article 6

This Regulation shall enter into force on the third 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, 11 October 1991.

For the Commission

Ray MAC SHARRY

Member of the Commission