COMMISSION REGULATION (EC) No 1730/97

of 4 September 1997

amending Regulation (EEC) No 1729/78 laying down detailed rules of application in respect of the production refund for sugar used in the chemical industry

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organization of the markets in sugar [1], as last amended by Regulation (EC) No 1599/96 [2], and in particular Article 9 (6) thereof,

Whereas Article 5a (1) of Commission Regulation (EEC) No 1729/78 of 24 July 1978 laying down detailed rules of application in respect of the production refund for sugar used in the chemical industry [3], as last amended by Regulation (EC) No 1126/96 [4], provides for the production refund to be adjusted if, during the period between the day of receipt of an application for a production refund certificate and the day of processing of the basic product, a change occurs in the intervention price for white sugar fixed in ecus for non-deficit areas;

Whereas the production refund is based on the price of Community sugar and the trend in sugar prices on the world market; whereas, within the meaning of Article 4a of Council Regulation (EEC) No 1010/86 [5], the price of Community sugar is defined as the intervention price for white sugar plus the storage levy and the world market price for sugar is defined as the price of Community sugar less the average of the export refunds for white sugar recorded during the reference period in question; whereas, therefore, the amount of the storage levy is necessarily taken into account for the determination of production refunds; whereas the possibility of the above-mentioned adjustment should accordingly be provided not only in the case of a change in the intervention price of white sugar alone, but also in the case of a change in the storage levy between the day of receipt of the certificate and the day on which the basic product is processed; whereas the adjustment should be established taking account of the storage levies applicable before and after the change;

Whereas this Regulation should be made applicable for the first time to operations for which production refund certificates are requested from 1 October 1997 for the processing of sugar from the new marketing year;

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

HAS ADOPTED THIS REGULATION:

Article 1

Article 5a of Regulation (EEC) No 1729/78 is hereby replaced by the following:

'Article 5a

1. If during the period between the day of receipt of an application for a production refund certificate pursuant to this Regulation and the day of processing of the basic product within the meaning of Council Regulation (EEC) No 1010/86 a change occurs in the intervention price for white sugar fixed in ecus for non-deficit areas and/or a change in the storage levy fixed in ecus pursuant to Regulation (EEC) No 1785/81, the production refund in question shall be adjusted for the quantities of basic product processed from the day of such change.

2. For the purposes of applying the adjustment provided for in paragraph 1, the competent authority of the Member State issuing the refund certificate in question shall add the following to the certificate when it is issued: "To be adjusted in accordance with Commission Regulation (EC) No 1730/97 (OJ L 243, 5. 9. 1997, p. 5) for processing from the date of application of the new intervention price in question and/or of the storage levy."

The adjustment is to be made at the time of payment of the production refund in question.

3. Where the basic product is white sugar as referred to in Article 1 (1) of Regulation (EEC) No 1010/86, the adjustment provided for in paragraph 1 shall be obtained by increasing or reducing, as the case may be, the production refund by the difference, expressed in ecus per hundred kilograms of sugar, between the intervention price for white sugar for non-deficit areas applicable on the day of receipt of the certificate application plus the storage levy applicable on that day and the price for white sugar applicable on the day of processing of the basic product in question, plus the storage levy applicable on that day.

[1] OJ L 177, 1. 7. 1981, p. 4.
[2] OJ L 206, 16. 8. 1996, p. 43.
[3] OJ L 201, 25. 7. 1978, p. 26.
[4] OJ L 150, 25. 6. 1996, p. 3.
[5] OJ L 94, 9. 4. 1986, p. 9.

4. Where the basic product is raw sugar of the standard quality referred to in Article 1 (1) of Regulation (EEC) No 1010/86, the adjustment provided for in paragraph 1 shall be obtained by increasing or reducing, as the case may be, the production refund by the difference, expressed in ecus per 100 kilograms of sugar, between the intervention price for raw sugar applicable on the day of receipt of the certificate application plus the storage levy, expressed as raw sugar, applicable on that day and that price applicable on the day of processing of the basic product in question plus the storage levy expressed as raw sugar.

5. If the raw sugar yield differs from that laid down in the definiton of the standard quality referred to in Council Regulation (EEC) No 431/68 [1], the refund, adjusted in accordance with paragraph 4, shall be adjusted for payment in accordance with Article 5 (1) of Regulation (EC) No 1423/95 [2].

6. Where the basic product is sucrose syrup as referred to in Article 1 (1) of Regulation (EEC) No 1010/86, the adjustment shall be determined in accordance with paragraph 4 above and Article 6 of Regulation (EEC) No 1010/86.

7. Where the basic product is isoglucose as referred to in Article 1 (1) and Article 2 of Regulation (EEC) No 1010/86, the adjustment shall be determined in accordance with paragraph 4 and shall apply per 100 kilograms of dry matter of the product concerned.'

Article 2

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

It shall apply form 1 October 1997.

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

Done at Brussels, 4 September 1997.

For the Commission

Franz FISCHLER

Member of the Commission

[1] OJ L 89, 10. 4. 1968, p. 3.
[2] OJ L 141, 24. 6. 1995, p. 16.