COMMISSION REGULATION (EC) No 2074/98

of 29 September 1998

adjusting the standard amount provided for in Council Regulation (EEC) No 1010/86 and setting the production refund on white 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 1010/86 of 25 March 1986 laying down general rules for the production refund on certain sugar products used in the chemical industry [1], as amended by Commission Regulation (EC) No 1148/98 [2], and in particular Article 4a(1a) thereof,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organisation of the markets in the sugar sector [3], as last amended by Regulation (EC) No 1148/98, and in particular Article 9(6) thereof,

Whereas Article 9(3) of Regulation (EEC) No 1785/81 states that it may be decided to grant production refunds on the products indicated in Article 1(1)(a) and (f) of that Regulation and the syrups indicated in Article 1(1)(d) that are in one of the situations indicated in Article 9(2) of the Treaty and are used in the manufacture of certain chemical industry products;

Whereas Regulation (EEC) No 1010/86 lays down general rules on determination of these production refunds and specifies the chemical products the manufacture of which permits a refund on the basic products; whereas Articles 5, 6 and 7 of that Regulation specify respectively how the production refund on each of the basic products raw sugar, sucrose syrups and unprocessed isoglucose is derived from the refund set on white sugar;

Whereas Article 4a of Regulation (EEC) No 1010/86 states that the production refund per 100 kilograms of white sugar is to be fixed on the basis of the world market price for white sugar, increased by a standard amount of ECU 7 per 100 kilograms, and the price of Community sugar; whereas pursuant to Article 1(3) of Council Regulation (EC) No 150/95 of 23 January 1995 amending Regulation (EEC) No 3813/92 on the unit of account and the conversion rates to be applied for the purposes of the common agricultural policy [4] this standard amount was weighted by the coefficient 1,207509 and thus became ECU 8,45 per 100 kilograms of white sugar; whereas Article 4a(1a) of Regulation (EEC) No 1010/86 allows the Commission using the procedure specified in Article 41 of Regulation (EEC) No 1785/81, to reduce this amount as far as ECU 2,42; whereas experience with the production refund provisions since the new sugar sector production arrangements came into force in 1995 shows a need to facilitate as far as possible convergence of the circumstances of the Community chemical industry and those of chemical producers drawing supplies from the world sugar market; whereas the standard amount should therefore be reduced to ECU 6,45 for a two-year trial period;

Whereas 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 [5], as last amended by Regulation (EC) No 1730/97 [6], lays down provisions on determination of the production refund; whereas Article 1 thereof stipulates that it is to be set quarterly from 1 July, 1 October, 1 January and 1 April; whereas the production refund should therefore be set for a period as indicated in the said Article 1;

Whereas, as a result of modification of the definitions of white sugar and raw sugar given in Article 1(2)(a) and (b) of Regulation (EEC) No 1785/81, sugars that have been flavoured or had colorants or other substances added no longer fall under these definitions and are therefore to be considered as 'other sugars'; whereas, however, under Article 1 of Regulation (EEC) No 1010/86 they count as basic products for the purposes of the production refund; whereas for determination of the production refund on these products a calculation method should therefore be set using their sucrose content;

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

[1] OJ L 94, 9. 4. 1986, p. 9.
[2] OJ L 159, 3. 6. 1998, p. 38.
[3] OJ L 177, 1. 7. 1981, p. 4.
[4] OJ L 22, 31. 1. 1995, p. 1.
[5] OJ L 201, 25. 7. 1978, p. 26.
[6] OJ L 243, 5. 9. 1997, p. 5.

HAS ADOPTED THIS REGULATION:

Article 1

The following paragraph is added to Article 4a of Regulation (EEC) No 1010/86:

'1b. For the period 1 October 1998 to 30 September 2000 the standard amount referred to in paragraph 1 shall be reduced to ECU 6,45.'

Article 2

The production refund for white sugar referred to in Article 4 of Regulation (EEC) No 1010/86 shall be ECU 41,963 per 100 kilograms net for the period 1 October to 31 December 1998.

Article 3

This Regulation shall enter into force on 1 October 1998.

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

Done at Brussels, 29 September 1998.

For the Commission

Franz FISCHLER

Member of the Commission