COUNCIL REGULATION (EC) No 1253/1999

of 17 May 1999

amending Regulation (EEC) No 1766/92 on the common organisation of the market of cereals and repealing Regulation (EEC) No 2731/75 fixing standard qualities for common wheat, rye, barley, maize and durum wheat

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 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],

Having regard to the opinion of the Committee of the Regions [4],

Having regard to the opinion of the Court of Auditors [5],

(1) Whereas after the 1992 reform of the common agricultural policy, there has been a particular improvement in market balances;

(2) Whereas set-aside under the support system for producers of certain arable crops introduced in 1992 in addition to a lowering of the intervention price, has helped to keep production under control, while increased price competitiveness has allowed significant additional cereals quantities to be used on the domestic market, mainly for animal feed.

(3) Whereas, subject to increases of area payments under the arable crops support system as laid down in Council Regulation (EC) No 1251/1999 of 17 May 1999 establishing a support system for producers of certain arable crops [6], to reinforce the effect of the 1992 reform, price competitiveness should be strengthened by a further cut in the intervention price, bringing it down in two steps to a safety-net level; whereas the intervention price, if necessary, will be subject to a final reduction, in particular to ensure a better market balance;

(4) Whereas the provisions of standard quality no longer have any practical relevance and should, therefore, be withdrawn;

(5) Whereas since the non cereal starch price and compensation arrangements have always been governed by the common organisation of the market in cereals, the adjustment of those arrangements should follow the measures taken for cereals, whereby the minimum price for potatoes intended for the manufacture of potato starch and the payments for producers of such potatoes should, therefore, be adapted in line with the price reduction for cereals; whereas the payment for producers is fixed at a higher level than the equivalent one for cereals, taking into account that the production quotas set out in Council Regulation (EC) No 1868/94 of 27 July 1994 establishing a quota system in relation to the production of potato starch [7] are being decreased;

(6) Whereas tariff quotas resulting from agreements concluded in accordance with Article 300 of the Treaty or from any other act of the Council should be opened and administered by the Commission on the basis of detailed rules;

(7) Whereas, taking into account the influence of the world market price on the internal price, the

(1) OJ C 170, 4.6.1998, p. 1.
(2) Opinion delivered on 6 May 1999 (not yet published in the Official Journal).
(3) OJ C 284, 14.9.1998, p. 55.
(4) OJ C 93, 6.4.1999, p. 1.
(5) OJ C 401, 22.12.1998, p. 3.

(6) See page 1 of this Official Journal.
(7) OJ L 197, 30.7.1994, p. 4. Regulation as last amended by Regulation (EC) No 1284/98 (OJ L 178, 23.6.1998, p. 3).

conditions for application, by the Commission, of the necessary measures to stabilise the internal market should be clarified,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1766/92 [1] is hereby amended as follows:

1. Article 1(2) shall be replaced by the following:

'2. This Regulation shall apply notwithstanding the measures provided for by Council Regulation (EC) No 1251/1999 of 17 May 1999 establishing a support system for producers of certain arable crops (*).

(*) OJ L 160, 26.6.1999, p. 1.'

2. Article 3 shall be replaced by the following:

'*Article 3*

1. An intervention price for cereals subject to intervention shall be fixed at:

— EUR 110,25/t for the 2000/2001 marketing year,

— EUR 101,31/t from the 2001/2002 marketing year onwards.

The intervention price valid for maize and grain sorghum in May shall remain valid in July, August and September of the same year.

2. The intervention price shall be subject to monthly increases for the whole or part of the marketing year. The amounts of the monthly increases and their number are determined in accordance with the procedure laid down in Article 37(2) of the Treaty.

3. The intervention price shall refer to the wholesale stage for goods delivered to the warehouse, before unloading. It shall be valid for all Community intervention centres designated for each cereal.

4. The prices fixed in this Regulation may be changed in the light of developments in production and the markets in accordance with the procedure laid down in Article 37(2) of the Treaty. In particular a decision upon a final reduction in the intervention price to be applied from 2002/2003 onwards will be taken in the light of market developments.'

3. Article 8 shall be replaced by the following:

'*Article 8*

1. A minimum price for potatoes intended for the manufacture of potato starch shall be set at:

— EUR 194,05/t for the 2000/2001 marketing year;

— EUR 178, 31/t from the 2001/2002 marketing year onwards.

This price applies to the quantity of potatoes, delivered to the factory, which is needed for making one tonne of starch.

A decision upon a further reduction in the minimum price to be applied from the 2002/2003 marketing year onwards will be taken in the light of the final reduction in the intervention price for cereals.

2. A system of payments shall be established for producers of potatoes intended for the manufacture of potato starch. The amount of the payment applies to the quantity of potatoes needed for making one tonne of starch. It shall be set at:

— EUR 98,74/t for the 2000/2001 marketing year,

— EUR 110,54/t from the 2001/2002 marketing year onwards.

The amount of EUR 110,54/t may be increased from the 2002/2003 marketing year onwards in the light of the final reduction in the intervention price for cereals.

The payment shall be paid only in respect of the quantity of potatoes covered by a cultivation contract between the potato producer and the starch manufacturer within the limit of the quota allocated to such undertaking, as referred to in Article 2(2) of Council Regulation (EC) No 1868/94 of 27 July 1994 establishing a quota system in relation to the production of potato starch (*).

3. The minimum price and the payment shall be adjusted according to the starch content of the potatoes.

[1] OJ L 181, 1.7.1992, p. 21. Regulation as last amended by Commission Regulation (EC) No 923/96 (OJ L 126, 24.5.1996, p. 37).

4. If the situation on the potato starch market makes it necessary, the Council shall adopt the appropriate measures in accordance with the procedure laid down in Article 37(2) of the Treaty.

5. The Commission shall adopt the detailed rules for applying this Article following the procedure laid down in Article 23.

(*) OJ L 197, 30.7.1994, p. 4. Regulation as last amended by Regulation (EC) No 1284/98 (OJ L 178, 23.6.1998, p. 3).'

4. Article 12 paragraph 1 shall be replaced by the following text:

'1. Tariff quotas for the products listed in Article 1 resulting from agreements concluded in accordance with Article 300 of the Treaty or from any other act of the Council pursuant to the Treaty shall be opened and administered in accordance with detailed rules adopted under the procedure laid down in Article 23.'

5. Article 16 shall be replaced by the following:

'*Article 16*

1. Where the quotations or prices on the world market for one or more of the products listed in Article 1 reach a level which disrupts or threatens to disrupt the availability of supply on the Community market, and where that situation is likely to continue and to deteriorate, appropriate measures may be taken. Such measures may be taken as a safeguard measure in cases of extreme emergency.

2. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 23.'

Article 2

Regulation (EEC) No 2731/75 of the Council of 29 October 1975 fixing standard qualities for common wheat, rye, barley, maize and durum wheat [1] is hereby repealed.

Article 3

1. This Regulation shall enter into force seven days after its publication in the *Official Journal of the European Communities*.

2. This Regulation shall apply from the 2000/2001 marketing year onwards.

3. Regulation (EEC) No 2731/75 shall continue to apply in relation to the 1998/1999 and 1999/2000 marketing years.

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

Done at Brussels, 17 May 1999.

For the Council
The President
K.-H. FUNKE

[1] OJ L 281, 1.11.1975, p. 22. Regulation as last amended by Regulation (EC) No 2594/97 (OJ L 351, 23.12.1997, p. 10).