

HILLMAN

COMMISSION OF THE EUROPEAN COMMUNITIES

GIFT AND EXCHANGE  
HILLMAN LIBRARY

COM1934

COM(79) 482 final

Brussels, 5 September 1979

FEB 26 1980

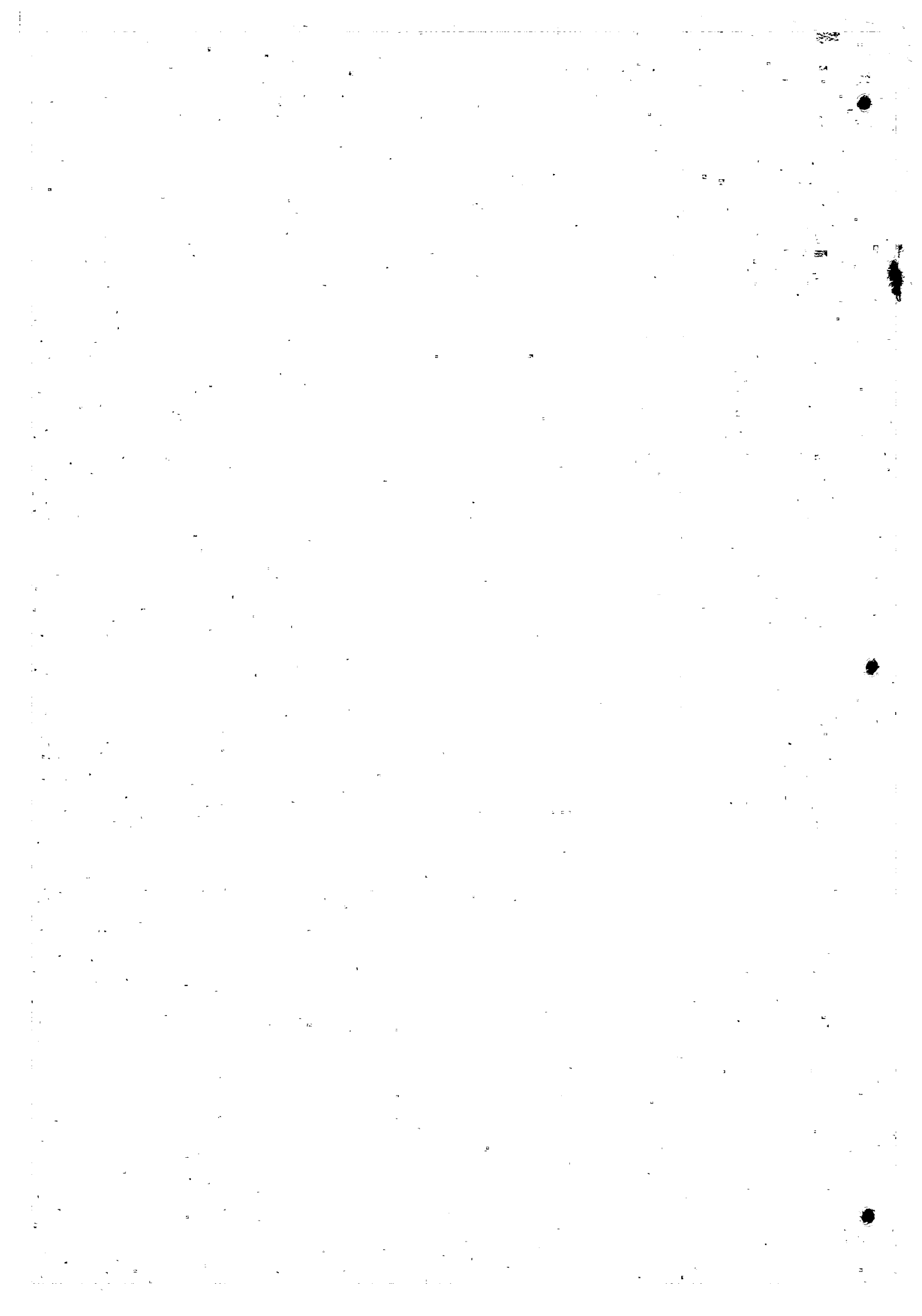
Proposal for a  
COUNCIL REGULATION (EEC)

on the transfer to the Italian intervention agency of  
common wheat held by the German intervention agency and  
on the conditions for bringing such wheat back  
onto the market.

---

(submitted to the Council by the Commission)

COM(79) 482 final



EXPLANATORY MEMORANDUM

At the request of the Italian Government, and on a proposal from the Commission, the Council of Ministers of Agriculture held at Luxembourg from 18 to 21 June 1979 agreed to the transfer of 200 000 tonnes of wheat from intervention stocks in other Member States to Italy.

The Commission was instructed to set out the decision and, subsequently, to adopt detailed provisions by means of the Management Committee procedure. That is the object of this draft.

The proposal again employs the system adopted for earlier transfers. Article 2 has been amended on request by Italy (monthly accounts).

The German Intervention Agency is the only one to hold the quantities necessary for carrying out the transfer.

With regard to finance, the Council should renew the declaration it made on the occasion of earlier transfers [ Doc. R. 2187 F 77 (AGRI 601) (FIN 559), p. 3 ]:

"The Council agrees that, should a cash flow problem arise for the EAGGF under the system of advances following transfers of intervention products from one intervention agency to another, particularly towards the end of the financial year, the appropriate measures will be taken along the lines indicated in the second sentence of Article 2(2) of the Commission Proposal [ See R/562/77 (AGRI 146) (FIN 109) ], namely entry of the quantity supplied in the accounts at intervention price."

COUNCIL REGULATION (EEC)

on the transfer to the Italian intervention agency of common wheat held by the German intervention agency and on the conditions for bringing such wheat back onto the market

— — — — —

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals <sup>(1)</sup>, as last amended by Regulation (EEC) No 1547/79 <sup>(2)</sup>, and in particular Article 7 (4) thereof,

Having regard to Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy <sup>(3)</sup>, as last amended by Regulation (EEC) No 2788/72 <sup>(4)</sup>, and in particular Article 3 (2) thereof,

Having regard to Council Regulation (EEC) No 2738/75 of 29 October 1975 laying down general rules for intervention on the market in cereals <sup>(5)</sup>, and in particular Article 4 thereof,

Having regard to the proposal from the Commission,

Whereas the Italian market in common wheat runs the risk of experiencing supply difficulties; whereas high market prices have been recorded in that country;

Whereas, in order to deal with this situation, a part of the common wheat of bread-making quality which is still available in intervention in the rest of the Community should be made available to the Italian intervention agency;

Whereas detailed rules should subsequently be laid down for taking over the product and for transferring responsibility for it;

Whereas provisions covering the accounting side of this operation should be aligned on the arrangements laid down in Council Regulation (EEC) No 787/69 of 22 April 1969 on the financing of intervention expenditure in respect of the domestic market in cereals and in rice <sup>(6)</sup>, as last amended by Regulation (EEC) No 354/78 <sup>(7)</sup>;

- 
- (1) OJ No L 281, 1.11.1975, p. 1
  - (2) OJ No L 188, 26. 7.1979, p. 1
  - (3) OJ No L 94, 28. 4.1970, p. 13
  - (4) OJ No L 295, 30.12.1972, p. 1
  - (5) OJ No L 281, 1.11.1975, p. 49
  - (6) OJ No L 105, 2. 5.1969, p. 4
  - (7) OJ No L 50, 22. 2.1978, p. 4

Whereas such measures imply that the European Agricultural Guidance and Guarantee Fund, Guarantee Section, should bear the cost of transport,

HAS ADOPTED THIS REGULATION:

Article 1

1. The German intervention agency shall hold 200 000 tonnes of common wheat of bread-making quality at the disposal of the Italian intervention agency, which shall take delivery thereof from 1 October 1979 and shall ensure transportation to Italy before the end of the 1979/80 marketing year.  
Such product must meet the requirements of Regulation (EEC) No 1549/79 (1).
2. Commission Regulation (EEC) No 376/70 of 27 February 1970 laying down the procedure and conditions for the disposal of cereals held by intervention agencies (2), as last amended by Regulation (EEC) No 1687/76 (3), shall apply to the resale of the product referred to in paragraph 1; the reference price shall, however, be substituted for the intervention price.
3. The delivery and transport operations shall be assigned by tender. The mobilization must be carried out under the most favourable conditions of transfer.
4. Detailed rules for the application of this Regulation, and in particular the rules concerning the delivery and transport of the product in question, shall be adopted in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75.

Article 2

1. At the end of each month, the German intervention agency shall enter the quantities transferred during that month, as a zero debit, in the account referred to in Article 3 (1) of Regulation (EEC) No 787/69.
2. The Italian intervention agency shall, at the same time, enter the quantities delivered to it as a zero credit in the account referred to in paragraph 1.
3. The costs of transporting the quantities transferred shall be entered in the account referred to in paragraph 1.
4. Where necessary, detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

(1) OJ No L 188, 26. 7.1979, p. 4

(2) OJ No L 47, 28. 2.1970, p. 49

(3) OJ No L 190, 14. 7.1976, p. 1

- 4 -

Article 3

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,

For the Council

# FINANCIAL STATEMENT

Date : 9.7.1979

1. BUDGET HEADING : 6015

APPROBIATIONS : 65.8 MEUA

2. TITLE : Proposed Council Regulation on the transfer to the Italian intervention agency of common wheat held by the German intervention agency.

3. LEGAL BASIS : Article 7 of Council Regulation No 2727/75

4. AIMS OF PROJECT : Transfer to the Italian intervention agency of 200 000 tonnes of common wheat

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR ( 79 )	FOLLOWING FINANCIAL YEAR ( 80 )
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (EXCESSIVE INTERVENTIONS)		7.2 MEUA	14.2 MEUA
- NATIONAL ADMINISTRATION			
- OTHER			
5.1 RECEIPTS		See notes	
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
- NATIONAL			
5.0.1 ESTIMATED EXPENDITURE	The measures should be completed on 31.7.1980		
5.1.1 ESTIMATED RECEIPTS			

5.2 METHOD OF CALCULATION

Transport cost 200 000 t : 72 EUA = 14,4 MEUA  
 Difference between receipts from sale in Germany and in Italy  
 200 000 t x 150 UA/t x 0.235 (effect of the dual rate) = 7.0 MEUA  
21.4 MEUA

Half the transport will be undertaken in 1979.

6.0 CAN THE PROJECT BE FINANCED FROM APPROBIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES

~~6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?~~

YES

~~6.2 IS A SUPPLEMENTARY BUDGET BE NECESSARY ?~~

YES

6.3 WILL FUTURE BUDGET APPROBIATIONS BE NECESSARY ?

YES

OBSERVATIONS : Note that the alternative, to export cereals from Germany to non-member countries, would cost 22 MEUA.

