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HILLMAN

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 458 final.

COM1939

Brussels, 6 September 1979

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Proposal for a

COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 1117/78 on the common organization of the market in dried fodder and Regulation (EEC) No 827/68 on the common organization of the market in certain products listed in Annex II to the Treaty

(submitted to the Council by the Commission)

COM(79) 458 final.

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EXPLANATORY MEMORANDUM

During recent years, a very small number of factories within the Community, has started to produce a quantity (estimated at 3,500 tonnes at present) of protein concentrates obtained from lucerne and grass. In 1978 the Council decided that these concentrates should qualify for the support system provided for under the common organization of the market in dried fodder (Council Regulation (EEC) No 1117/78). At the time it was felt that these products should be classified under heading 23.07 C of the Common Customs Tariff.

Production of 1 kg of concentrate also produces 10 kg of by-products and the manufacturing process is, in certain respects, similar to that involved in production of artificially heat-dried fodder; they can be distinguished from the latter only by means of sophisticated methods of analysis in specialized laboratories.

In these circumstances, it was felt hitherto that these by-products could be classified like artificially heat-dried fodder.

Recently, in spite of the difficulties in analysis explained above, the Common Customs Tariff Nomenclature Committee reached the conclusion that both protein concentrates obtained from lucerne juice and grass juice and the by-products obtained during manufacture of those protein concentrates should be classified under subheading 23.06 B of the Common Customs Tariff.

The object of this proposal for a Regulation is to amend Regulation (EEC) No 1117/78 :

- by replacing, with respect to protein concentrates, the number ex 23.07 C of the CCT by the number ex 23.06 B, in accordance with the Opinion of the CCT Nomenclature Committee and
- by providing for express inclusion of the by-products obtained when manufacturing protein concentrates in Article 1 of the Regulation in question, since these products are used for the same purposes as the other products referred to therein.

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dried fodder and Regulation (EEC) No 827/68 on the common organization of the market
in certain products listed in Annex II to the Treaty

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in parti-
cular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament ⁽¹⁾,

Having regard to the Opinion of the Economic and Social Committee ⁽²⁾,

Whereas protein concentrates obtained from Lucerne juice and grass juice are covered
by Council Regulation (EEC) No 1117/78 of 22 May 1978 ⁽³⁾ on the common organization of
the market in dried fodder; whereas these products appropriately fall under subhea-
ding 23.07 C of the Common Customs Tariff; whereas, in view of the experience gained,
these products must be classified under subheading 23.06 B of the Common Customs
Tariff; whereas in consequence Regulation (EEC) No 1117/78 should be amended;

Whereas the by-products from manufacture of the said concentrates represent a new
product which, on account of these features, should be classified within the same
tariff subheading as protein concentrates; whereas, because of its use, this product
must fall within the scope of Regulation (EEC) No 1117/78;

Whereas the alterations referred to above involve an adaptation to the Annex to Council
Regulation (EEC) No 827/68 of 28 June 1968 on the common organization of the market
in certain products listed in Annex II to the Treaty ⁽⁴⁾, as last amended by Regula-
tion (EEC) No 179 ⁽⁵⁾;

HAS ADOPTED THIS REGULATION :

(1) OJ No C ...

(2) OJ No C ...

(3) OJ No L 142, 30.5.1978, p. 1

(4) OJ No L ...

(5) OJ No L ...

Article 1

Article 1(c) of Regulation (EEC) No 1117/78 is replaced by the following text :

- "c) ex 23.06 B - protein concentrates obtained from Lucerne juice and from grass juice;
" - products obtained exclusively from solid residue and unused juice resulting from the preparation of the concentrates referred to above."

Article 2

The Annex to Regulation (EEC) No 827/68 is amended as follows :

"1. The wording of subheading 23.06 B is replaced by the following text :

- " - ex B : other, excluding :
" - protein concentrates obtained from Lucerne juice and from grass juice;
" - products obtained exclusively from solid residue and unused juice resulting from the preparation of the concentrates referred to above."

"2. The wording of subheading 23.07 ex C is replaced by the following text :

- " C : Other."

Article 3

This Regulation shall enter into force on the day of 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

For the Council

FINANCIAL STATEMENT

Date : 19.7.1979

1. BUDGET HEADING : 734

APPROBIATIONS : 49,3 MEUA

2. TITLE : Draft Council regulation (EEC) N .../79 amending Reg. 1117/78 on the common organization of the market in dried fodder and Reg. 827/68 on the common organization of the market in certain products listed in Annex II to the Treaty

3. LEGAL BASIS : Articles 42 and 43 of the Treaty

4. AIMS OF PROJECT : To assimilate the by-products of the production of protein concentrates made from lucerne and grass into the system for dried fodder, and pay aid for this production.

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (79)	FOLLOWING FINANCIAL YEAR (80)
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (INTERVENTIONS)	1,1 MEUA	p.m. (1)	1,1 MEUA
- NATIONAL ADMINISTRATION			
- OTHER			
5.1 RECEIPTS			
- OWN RESOURCES OF THE EC (LEVIÉS/CUSTOMS DUTIES)			
- NATIONAL			
	1981	1982	
5.0.1 ESTIMATED EXPENDITURE	1,1 MEUA	1,1 MEUA	
5.1.1 ESTIMATED RECEIPTS			

5.2 METHOD OF CALCULATION

Estimate of production 35 000 t

Rate of fixed aid	5 ua/t	}	
Rate of variable aid	17,9 ua/t	}	22,9 ua/t
			= 27,7 ECU/t
			= 0,97 MECU
			= 1,14 MEUA

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

YES/

6.1 ~~RELEVANT CHAPTER OF THE CURRENT BUDGET~~

~~YES/~~

6.2 ~~RELEVANT CHAPTER OF THE CURRENT BUDGET~~

~~YES/~~

6.3 WILL FUTURE BUDGET APPROBIATIONS BE NECESSARY ?

YES/

OBSERVATIONS : (1) If the proposed regulation enters into force during 1979, the expenditure for this exercise will be minimal.