# COMMISSION OF THE EUROPEAN COMMUNITIES

<u>CO</u>M(79) 376 final

COM 195/

Brussels, 9 August 1979.

GIFT AND EXCHANGE

FEB 2 1980

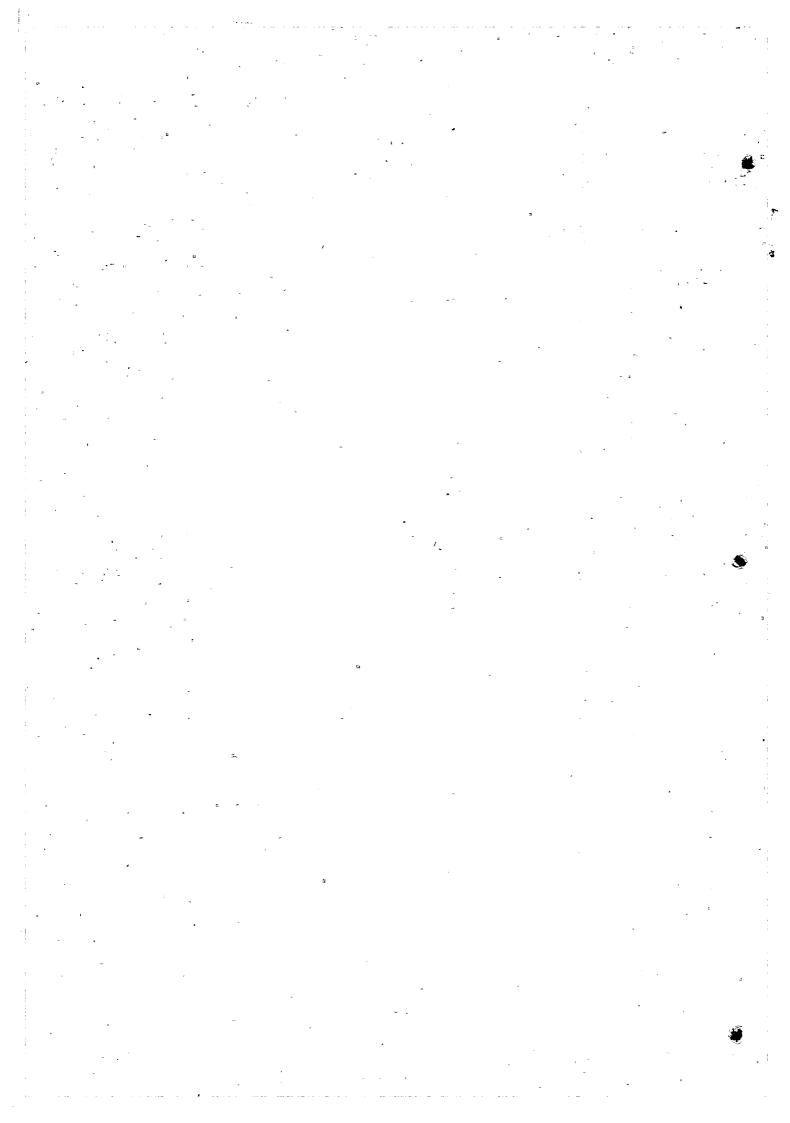
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# Proposal for a COUNCIL REGULATION (EEC)

amending Regulation No 1418/76 on the common organization of the market in rice

(submitted to the Council by the Commission)

COM(79) 376 final



### EXPLANTATORY MENORANDUM

Subject: Draft proposal for a Council Regulation amending Regulation (EEC)
No 1418/76 on the common organization of the market in rice

As from the 1979/80 rice marketing year certain amendments to Regulation (EEC) No 1418/76 will be necessary:

- 1. Rice seed, hitherto included under tariff heading "10.06 A I paddy rice" is henceforth subject to the common organization of the market in seeds governed by Council Regulation (EEC) No 2835/71. It is thus no longer included in the list of products subject to the common organization of the market in rice governed by Regulation No 1418/76. Consequently, a new heading in the Common Customs Tariff has had to be created for rice seed through an amendment to Regulation (EEC) No 950/68 on the Common Customs Tariff, Since this amendment entailed an entire series of changes to the CCT in respect of all the other "rice" products referred to at heading 10.06, amendments which arise from it have had to be made to Articles 1 and 3 of Regulation No 1418/76.
- 2. Fach year, following consultation with the Member States in accordance with the Management Committee procedure, the intervention centres were fixed for rice. This procedure has, however, proved superfluous in that changes in centres did not occur every year between one marketing year and another. As experience had also shown that changes in centres were fairly rare, it was more reasonable to provide that the fixing, or rather, the change in the centres fixed, should be made as and when changes were necessary.
- 3. Article 18 of Regulation No 1418/76 makes provision for prohibiting in whole or in part the use of inward processing arrangements exclusively for the products referred to in Article 1 intended for the manufacture of products listed in Article 1 (1) (c).

The scope of that Article is limited, since products intended for the manufacture of the products listed in Article 1 (1) (a) are not covered by this provision. It has, however been found the market can sometimes be disturbed by the use of inward processing arrangements, particularly for the manufacture of products referred to in Article 1 (1) (a).

It was therefore necessary to amend the text of Article 18 by extending its scope.

## PROPOSAL FOR A COUNCIL REGULATION (EEC)

amending Regulation No 1418/76 on the common organization of the market in rice

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof.

Having regard to the proposal from the Commission,

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

Whereas Council Regulation (EEC) No 1418/76<sup>2</sup>, as last amended by Regulation (EEC) No 1260/78<sup>3</sup>, covers in particular products falling within heading No 10.06 of the Common Customs Tariff; whereas rice and seed falls amongst these products;

Whereas rice seed has, since 1979, been subject to Council Regulation (EEC) No 2358/71 of 26 October 1971 on the common organization of the market in seeds (4), as last amended by Regulation (EEC) No (5); whereas this new provision necessitated an amendment to Council Regulation (EEC) No 950/68 of 28 June 1968 on the Common Customs Tariff (6), as last amended by Regulation (EEC) No (7); whereas it is therefore necessary to take account, in Regulation (EEC) No 1418/76, of the said amendment;

Whereas the intervention centres for rice are determined each year, after consultation with the Member States concerned, in accordance with the Management Committee procedure; whereas the experience gained has shown that it is no longer necessary to determine those centres annually but that this can be done as and when changes are necessary;

Whereas Article 18 of Regulation (EEC) No 1418/76 makes it possible to prohibit, in whole or in part, the use of inward processing arrangements for the products listed in Article 1 of the said Regulation and intended for the manufacture of products listed in Article 1(1)(c); whereas the said

<sup>(1)</sup> OJ No L

<sup>(2)</sup> OJ No L 166, 25.06.1976, p. 1

<sup>(3)</sup> OJ No L 156, 14.06.1978, p. 11

<sup>(4)</sup> OJ No L 246, 5.11.1971,

<sup>(5)</sup> OJ No L

<sup>(6)</sup> OJ No L 172, 22.7.1968, p.1

provision is inadequate in view of the rice market situation; whereas the proper functioning of the common organization of the market may be prejudiced, particularly by the manufacture of products listed in Article 1(1)(a); whereas the scope of the said Article 18 should accordingly be widened.

HAS ADOPTED THIS REGULATION:

#### Article '

Regulation (EEC) No 1418/76 is hereby amended as follows:

- 1. Article 1(1) shall be replaced by the following text:
  - 1. The common organization of the market in rice shall comprise a price and trading system and cover the following products:

CCT Heading No	Description of Goods
a) 10.06 B.I	Paddy rice
10.06 B II	Husked rice
10.06 C	Semi-milled or wholly-milled rice
ь) 10.06 р	Broken rice
c) 11.01 F	Rice flour
11.02 A VI	Rice groats and meal
11.02 E II d) i	Flaked rice
11.02 F VI	. Rice pellets
11.08 A II	Rice starch

- 2. Article 4(5) shall be replaced by the following text:
- "5. The intervention centres referred to in the preceding paragraph shall be determined in accordance with the procedure provided for in Article 27 after consultation with the Member States concerned."
  - 3. Article 11a(2), (3) and (4) shall be replaced by the following text:
  - "2. By way of derogation from Article 11(1)(a), (b), (c), (d) and (i), no levy shall be charged on import of the products falling under subheadings 10.06 B and D into the French overseas department of Réunion.

- 3. By way of derogation from Article 11(1)(e), (f), (g) and (h), the levy to be charged on imports of products falling within subheading 10.06 C into the French overseas department of Réunion shall be equal to the amount for the protection of the industry referred to in Article 14(3).
- 4. For consignments to the French overseas department of Réunion of products falling within heading No 10.06, with the exception of subheading 10.06 A, originating in the Member States and in one of the situations referred to in Article 9(2) of the Treaty, a subsidy shall be granted, on application by the party concerned, equal to the levy in force for the product concerned. However, in respect of products falling within subheading 10.06 C, such subsidy shall be reduced by the amount for the protection of the industry referred to in paragraph 3."
- 4. Article 18 shall be replaced by the following text:

"To the extent necessary for the proper working of the common organization of the market in rice, the Council, acting by a qualified majority on a proposal from the Commission, may prohibit in whole or in part the use of inward processing arrangements in respect of the products listed in Article 1."

#### Article 2

This Regulation shall enter into force on

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

Done at Brussels,

For the Council